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UTAH

CONSTRUCTION or MECHANICS LIEN FORMS

PACKAGE

CONTRACTOR EDITION (sole proprietor)

Control Number: UT-P091-PKG





U.S. Legal Forms[™] thanks you for your purchase of a Construction Lien Forms Package. This package is an important tool to help you with the legal issues that may arise between a contractor who performs services and/or supplies materials or equipment to a property but is not paid for the services/materials/equipment. This package includes state specific forms for a contractor operating as a sole proprietor or individual.

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I. FORM LIST

With your Construction Lien Package, you will find many of the forms that are necessary to protect your legal rights or claims to secure and enforce a lien on property for unpaid services and/or materials or equipment.

Included in your package are the following forms:

- 1. Notice of Claim
- 2. Notice of Contract Terms
- 3. Demand for Cancellation of Lien
- 4. Cancellation of Lien
- 5. Preliminary Notice
- 6. Notice of Commencement
- 7. Assignment of Lien
- 8. Notice of Completion
- 9. Subcontractor's Request for Notice of Preliminary Notice Received
- 10. Notice of Release of Lien and Substitution of Alternate Security
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- 12. Waiver and Release Upon Final Payment

II. DESCRIPTIONS OF FORMS

Brief descriptions of the forms contained in your U.S. Legal Forms[™] Construction Lien Package are found below.

<u>Notice of Claim</u> - A person claiming benefits under this chapter shall file for record with the county recorder of the county in which the property, or some part of the property, is situated, a written notice to hold and claim a lien within 90 days from the date: (a) the person last performed labor or service or last furnished equipment or material on a project or improvement for a residence as defined in Section 38-11-102; or (b) of final completion of an original contract not involving a residence as defined in Section 38-11-102. Within 30 days after filing the notice of lien, the lien claimant shall deliver or mail by certified mail a copy of the notice of lien to: (i) the reputed owner of the real property; or (ii) the record owner of the real property. If the record owner's current address is not readily available to the lien claimant, the copy of the claim may be mailed to the last-known address of the record owner, using the names and addresses appearing on the last completed real property assessment rolls of the county where the affected property is located.

<u>Notice of Contract Terms</u> - As to all liens, except that of the contractor, the whole contract price shall be payable in money, except as herein provided, and shall not be diminished by any prior or subsequent indebtedness, offset or counterclaim in favor of the owner and against the contractor, except when the owner has contracted to pay otherwise than in cash, in which case the owner shall post in a conspicuous place on the premises a statement of the terms and conditions of the contract before materials are furnished or labor is performed, which notice must be kept posted, and when so posted shall give notice to all parties interested of the terms and conditions of the contract. Any person willfully tearing down or defacing such notice is guilty of a misdemeanor.

<u>Demand for Cancellation of Lien</u> - The claimant of any lien filed as provided herein, on the payment of the amount thereof together with the costs incurred and the fees for cancellation, shall at the request of any person interested in the property charged therewith cause said lien to be canceled of record within ten days from the request, and upon failure to so cancel his lien within the time aforesaid shall forfeit and pay to the person making the request the sum of \$100 per day or actual damages, whichever is greater, until the same shall be canceled, to be recovered in the same manner as other debts.

<u>Cancellation of Lien</u> - The claimant of any lien filed as provided herein, on the payment of the amount thereof together with the costs incurred and the fees for cancellation, shall at the request of any person interested in the property charged therewith cause said lien to be canceled of record within ten days from the request, and upon failure to so cancel his lien within the time aforesaid shall forfeit and pay to the person making the request the sum of \$20 per day until the same shall be canceled, to be recovered in the same manner as other debts.

<u>Preliminary Notice</u> - Except subcontractors who are in privity of contract with an original contractor or except for persons performing labor for wages, any person claiming, reserving the right to claim, or intending to claim a mechanic's lien under this chapter for labor, service, equipment, or material shall provide preliminary notice to the original contractor. Any person who fails to provide this preliminary notice has no right to claim a mechanic's lien.

<u>Notice of Commencement</u> - Any right to assert a defense of failure to comply with the preliminary notice requirement is void unless the original contractor records a notice of

commencement of the project or improvement with the county recorder for the county or counties where the project is located within 30 days after commencement of the project.

<u>Assignment of Lien</u> - This Assignment of Lien form is for use by an individual lienor who furnished or supplied labor, materials, or laborers for the purpose of improvements of real property, such that the lienor is entitled to a lien for the value of labor, materials, or laborers supplied to provide notice that he or she assigns his or her claim and lien to an individual, who shall have all the rights and remedies under law to which the lienor is entitled subject to all defenses thereto that might be made if such assignment had not been made, for the purpose of filing and for the enforcement of the lien.

<u>Notice of Completion</u> - This Notice of Completion form is for use for filing with the Utah State Construction Registry Project and includes project, filer and payment information.

<u>Subcontractor's Request for Notice of Preliminary Notice Received</u> - This Subcontractor's Request for Notice of Preliminary Notice Received form is for use by an individual subcontractor on a project or improvement for which a preliminary notice has been filed pursuant to Utah Code Ann. §38-1-32, to state the date a preliminary notice was filed, and to request that the original contractor provide notice to the subcontractor within fourteen (14) calendar days after the day of the Request of each preliminary notice the original contractor has received for the project.

Notice of Release of Lien and Substitution of Alternate Security - This Notice of Release of Lien and Substitution of Alternate Security form is for use by an individual owner of an interest in real property that is subject to a recorded mechanics' lien or original contractor or subcontractor affected by the lien, to provide notice that he or she disputes the correctness or validity of the recorded lien relating to property and that upon the recording of the notice, the real property shall be released from the mechanics' lien to which the notice applies. The notice is effective as to any amendment to the lien being released if the attached bond amount remains enough to satisfy the requirements of Utah Code Ann. §38-1-28(2)(c)(ii). If a suit is pending to foreclose the lien at the time the notice is served upon the lien claimant under Utah Code Ann. §38-1-28(4)(a), the lien claimant shall, within 90 days from the receipt of the notice, institute proceedings to add the alternate security as a party to the lien foreclosure suit.

<u>Conditional Waiver and Release Upon Progress Payment</u> - This Conditional Waiver and Release Upon Progress Payment form is for use by an individual lien claimant who is required to execute a waiver and release in exchange for or to induce the payment of a progress billing to provide information, including the property name, the property location and description, the customer, the invoice payment application number, the payment amount, and the payment period. This waiver is effective to release and the lien claimant is considered to waive any notice of lien or right under Utah Code Ann., Title 38, Chapter 1, Mechanics' Liens, or any bond right under Utah Code Ann., Title 14, Contractors' Bonds, or Section 63G-6-505 related to payment rights the lien claimant has on the property once the lien claimant endorses a check in the referenced payment amount payable to the lien claimant, and the check is paid by the depository institution on which it is drawn.

<u>Waiver and Release Upon Final Payment</u> - This Waiver and Release Upon Final Payment form is for use by an individual lien claimant who is required to execute a waiver and release in exchange for or to induce the payment of a final billing to provide information, including the property name, the property location and description, the customer, the invoice/payment application number, and the payment amount. This waiver becomes effective to release and the lien claimant is considered to waive any notice of lien or right under Utah Code Ann., Title 38, Chapter 1, Mechanics' Liens, or any bond right under Utah Code Ann., Title 14, Contractors' Bonds, or Section 63G-6-505 related to payment rights the lien claimant has on the property once the lien claimant endorses a check in the referenced payment amount payable to the lien claimant, and the check is paid by the depository institution on which it is drawn.

If you need additional information, please visit <u>www.uslegalforms.com</u> and look up forms by subject matter. You may also wish to visit our legal definitions page at <u>http://definitions.uslegal.com/</u>

III. TIPS ON COMPLETING THE FORMS

The form(s) in this packet may contain "form fields" created using Microsoft Word or Adobe Acrobat (".pdf" format). "Form fields" facilitate completion of the forms using your computer. They do not limit your ability to print the form "in blank" and complete with a typewriter or by hand.

It is also helpful to be able to see the location of the form fields. Go to the View menu, click on Toolbars, and then select Forms. This will open the Forms toolbar. Look for the button on the Forms toolbar that resembles a shaded letter "a". Click this button and the form fields will be visible.

By clicking on the appropriate form field, you will be able to enter the needed information. In some instances, the form field and the line will disappear after information is entered. In other cases, it will not. The form was created to function in this manner.

IV. DISCLAIMER

These materials were developed by U.S. Legal Forms, Inc. based upon statutes and forms for the subject state. All information and Forms are subject to this Disclaimer:

All forms in this package are provided without any warranty, express or implied, as to their legal effect and completeness. Please use at your own risk. If you have a serious legal problem, we suggest that you consult an attorney in your state. U.S. Legal Forms, Inc. does not provide legal advice. The products offered by U.S. Legal Forms (USLF) are not a substitute for the advice of an attorney.

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