

# ► What is a Mechanic's Lien?



A **mechanic's lien** is a security interest in the title to property for the protection of those who have supplied labor or materials that improve the property and is called by various names, most often a construction lien.

It is also called a **materialman's lien** or **supplier's lien** when referring to those supplying materials, a **laborer's lien** when referring to those supplying labor, and a **design professional's lien** when referring to architects or designers who contribute to a work of improvement. **Mechanics' liens on property in the United States date back to the 1700s.**

Mechanics' Liens exist as a legislative public policy to protect contractors. More specifically, state legislatures have determined that, due to the economics of the construction business, contractors and subcontractors need a greater remedy for non-payment for their work than merely the right to sue on their contracts.

Under the statutes, the lien is usually created by the performance of labor or the supplying of material that improves the property. Some common examples are:

- Laborers, carpenters, electricians, and plumbers working on the project sites
- Lumber yards, plumbing supply houses and electrical suppliers

- Architects and civil engineers who drew up the construction plans and specifications
- Off site fabricators of specialty items that are ultimately incorporated into the project

The statutes creating mechanics' liens usually give them a higher priority with respect to other interests in the title. Special provisions are made in some states for determining the priority between a mechanic's lien and the lien of a mortgage that is financing the construction on the land. Some states, like California, provide priority insurance for a construction loan mortgage recorded before the visible commencement of construction where the lender is obligated to disburse funds.

Once construction has been completed and a Notice of Completion has been filed, the primary contractor has 60 days and a subcontractor has 30 days to file the mechanic's lien. This lien has a lifespan of an additional 90 days and is dropped unless a lis pendens or notice of extension is filed. Mechanic's liens are complicated. If you have any specific questions, please call me.