

Secured Transactions in an Uncertain Economy

Working together to bring best in class secured transactions to our members

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Mechanic's Lien and Bond Service (MLBS)

UCC Filing Services

Mechanic's Lien and Bond Service (MLBS)

Construction Credit is the hardest form of credit there is,
bar none!

NACM's Secured Transaction Services has the tools,
knowledge, skills and empathy to help our construction-
oriented credit professional members.



Mechanic's liens are state statute controlled legal documents that reserve the rights of the filer to seek unpaid compensation. They are filed by contractors, subcontractors and material suppliers that received partial or no payment for work that they performed or materials that they provided on the property.

This is the type of “mechanic’s lien”
we’re talking about.

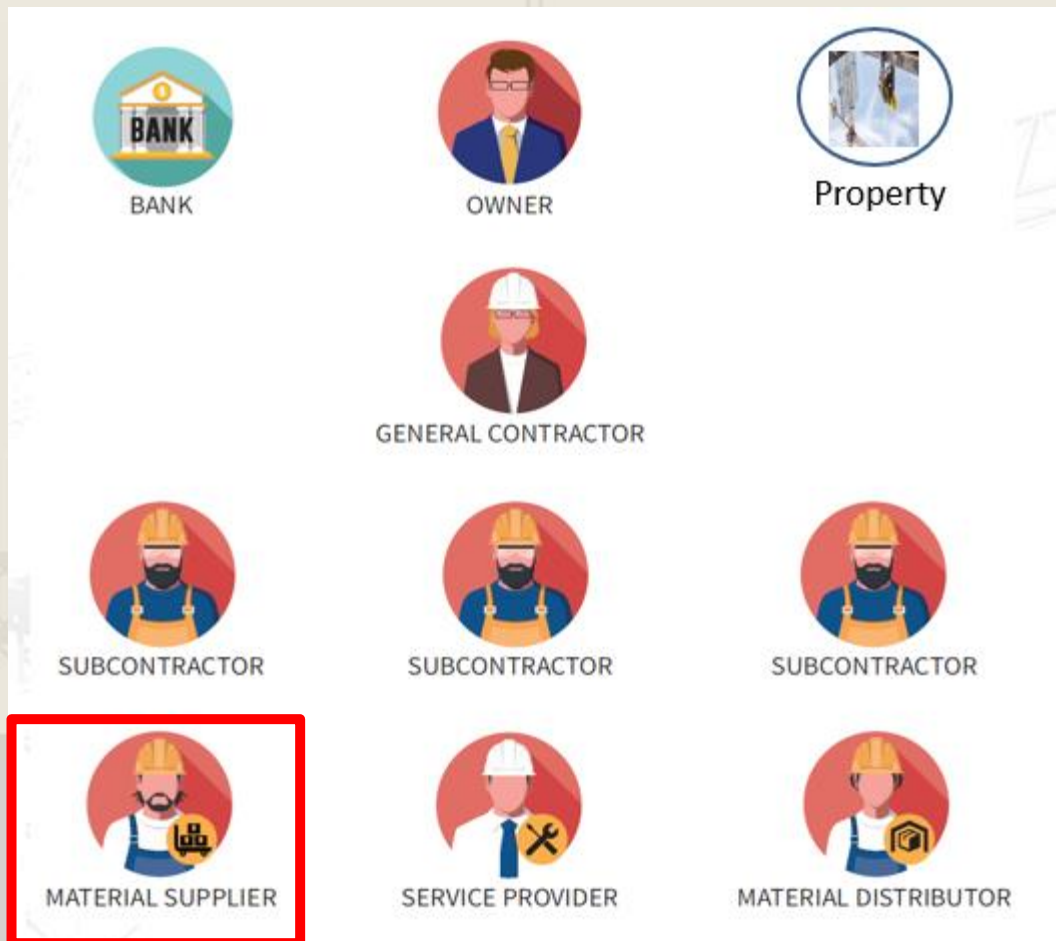
Automobile mechanic’s can file a
mechanic’s lien when they do repairs
and they are not paid.



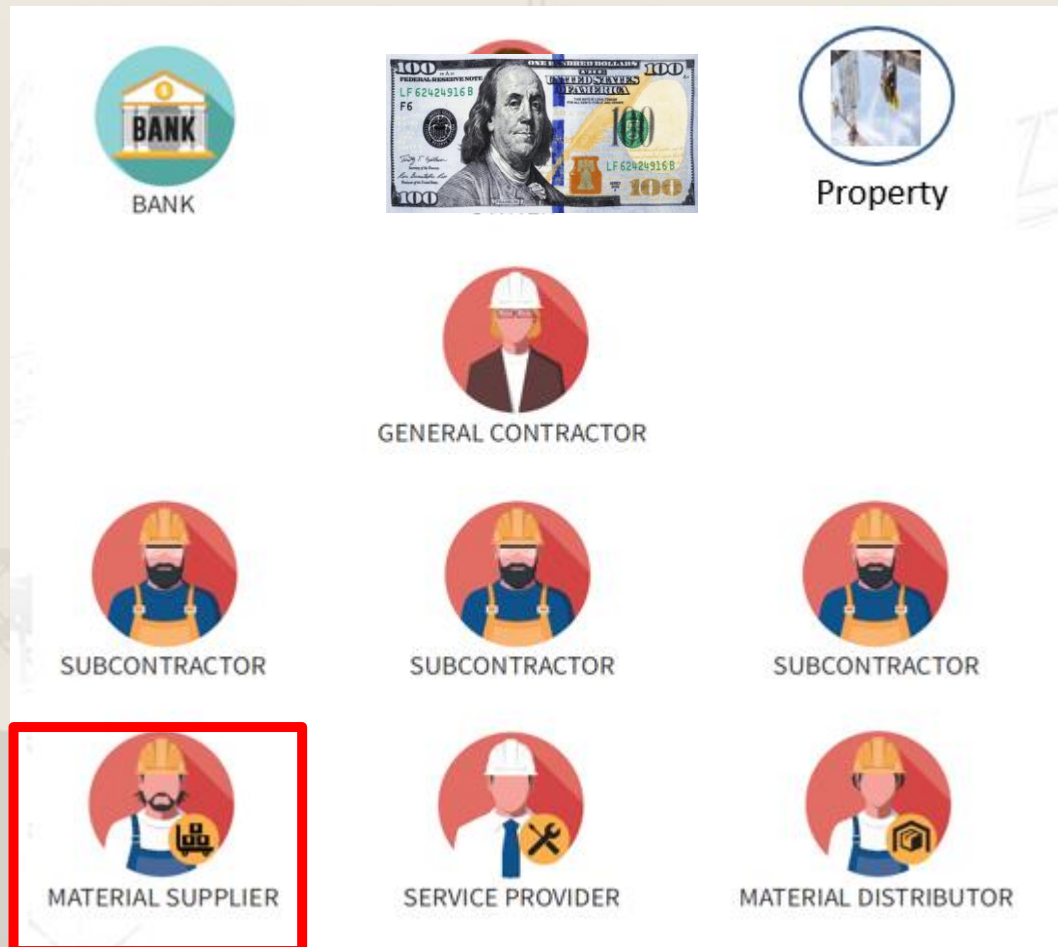
Material suppliers and contractors can
file a “mechanic’s lien” on a piece of
real estate when they are not paid.



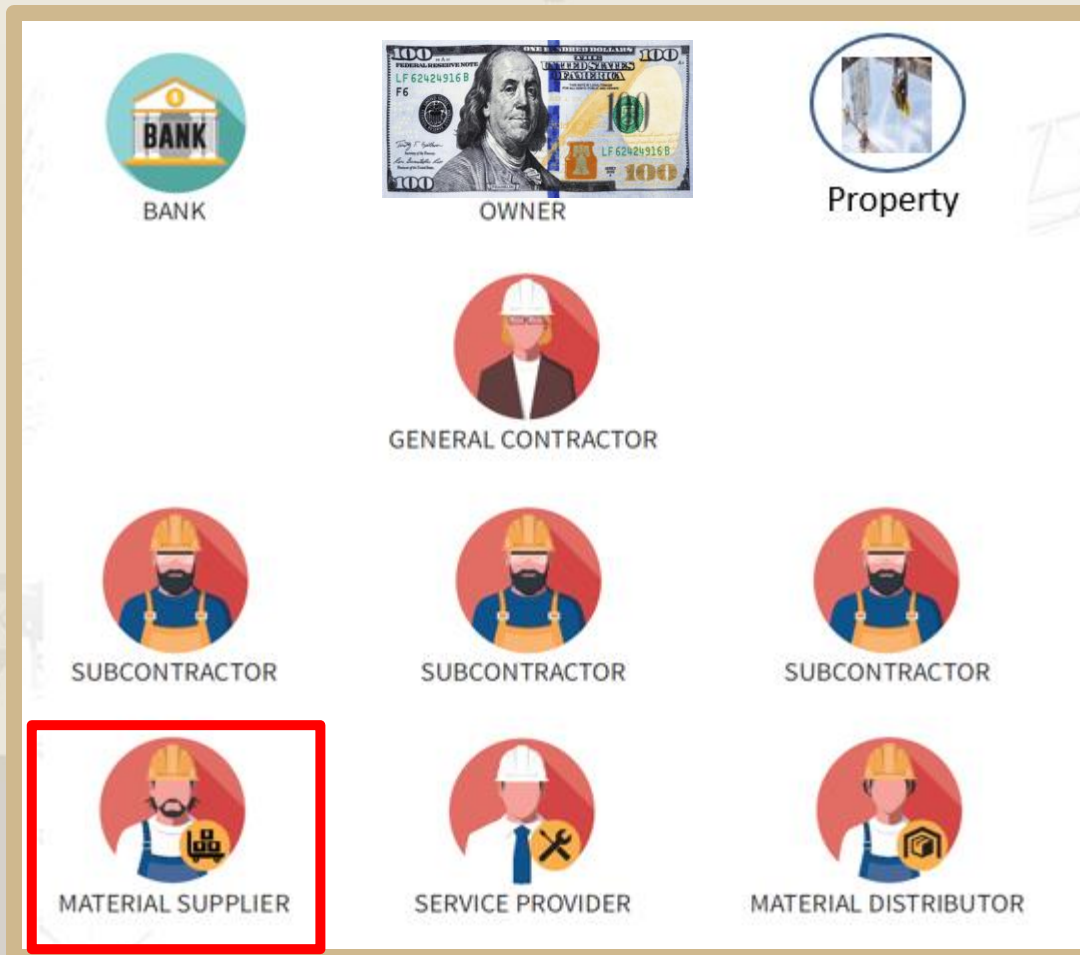
The vast majority of NACM members who use or should use the mechanic's lien process are material suppliers selling to subcontractors.



What makes construction credit so difficult is that the money to pay the material supplier has to funnel down from the property owner through the general and subcontractor.



Another critical factor is that the general and subcontractor have to get paid before the material supplier. The weak link in payment may be any party in the ladder of supply.



To add more difficulty to the equation, the material supplier must identify and verify the address of the piece of property where the materials are being installed, who owns the property, and who is the general contractor.

This process is typically referred to as gathering of job information and the job information is typically gathered by the sales rep accepting the order from their customer.

JOB INFORMATION SHEET

Customer: _____ Phone: _____ Email: _____
 Street Address: _____
 City: _____ State: _____ ZIP: _____
 Customer: ☐ Owner ☐ General Contractor ☐ Subcontractor ☐ Material Supplier ☐ Leasehold Interest
☐ Public/Private Partnership (P3) ☐ Sub-subcontractor ☐ Commercial Useful Function Verified

PROJECT INFORMATION

NAME _____
 STREET ADDRESS _____ CITY _____ STATE _____ ZIP _____
 PHONE _____ EMAIL _____
 SCR Number _____ (UT Projects Only) MNLR Number _____ (IA Residential) Registry Number _____ (PA and NC)

PROPERTY OWNER/AWARDING AUTHORITY

NAME _____
 STREET ADDRESS _____
 CITY _____ STATE _____ ZIP _____
 PHONE _____ EMAIL _____

PROPERTY LEASEHOLDER

NAME _____
 STREET ADDRESS _____
 CITY _____ STATE _____ ZIP _____
 PHONE _____ EMAIL _____

PRIME CONTRACTOR

NAME _____
 STREET ADDRESS _____
 CITY _____ STATE _____ ZIP _____
 PHONE _____ EMAIL _____

SUBCONTRACTOR (if other than customer)

NAME _____
 STREET ADDRESS _____
 CITY _____ STATE _____ ZIP _____
 PHONE _____ EMAIL _____

LENDER - (CA & AZ Projects Only)

NAME _____
 STREET ADDRESS _____
 CITY _____ STATE _____ ZIP _____
 PHONE _____ EMAIL _____

PRIME'S BONDING COMPANY Is this a private bonded job? ☐

NAME _____
 STREET ADDRESS _____
 CITY _____ STATE _____ ZIP _____
 PHONE _____ EMAIL _____

SUB'S BONDING COMPANY

NAME _____
 STREET ADDRESS _____
 CITY _____ STATE _____ ZIP _____
 PHONE _____ EMAIL _____

ARCHITECT

NAME _____
 STREET ADDRESS _____
 CITY _____ STATE _____ ZIP _____
 PHONE _____ EMAIL _____

Estimated Quantity: _____ Estimated Dollar Value: _____
 Rental: Estimated Monthly Fee: _____ Estimated Term of Rental: _____
 This job will have: ☐ One furnishing ☐ Several furnishings
☐ Tax exempt - Send exemption certificate with job sheet.
 First furnishing date: _____ Last furnishing date: _____
 Signature: _____ Date: _____ Company: _____

Our members may already have a job information sheet that they designed. Or they may have a job information sheet that needs to be updated, or not have one at all. NACM's Secured Transaction Services can provide members our "Sample" job information sheet at no charge.

JOB INFORMATION SHEET

Customer: _____ Phone: _____ Email: _____

Street Address: _____

City: _____ State: _____ ZIP: _____

Customer: ☐ Owner ☐ General Contractor ☐ Subcontractor ☐ Material Supplier ☐ Leasehold Interest
☐ Public/Private Partnership (P3) ☐ Sub-subcontractor ☐ Commercial Useful Function Verified

PROJECT INFORMATION

NAME _____

STREET ADDRESS _____ CITY _____ STATE _____ ZIP _____

PHONE _____ EMAIL _____

SCR Number _____ (UT Projects Only) MNL Number _____ (IA Residential) Registry Number _____ (PA and NC)

PROPERTY OWNER/AWARDING AUTHORITY

NAME _____

STREET ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ EMAIL _____

PROPERTY LEASEHOLDER

NAME _____

STREET ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ EMAIL _____

PRIME CONTRACTOR

NAME _____

STREET ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ EMAIL _____

SUBCONTRACTOR (if other than customer)

NAME _____

STREET ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ EMAIL _____

LENDER - (CA & AZ Projects Only)

NAME _____

STREET ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ EMAIL _____

PRIME'S BONDING COMPANY Is this a private bonded job? ☐

NAME _____

STREET ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ EMAIL _____

SUB'S BONDING COMPANY

NAME _____

STREET ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ EMAIL _____

ARCHITECT

NAME _____

STREET ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE _____ EMAIL _____

Estimated Quantity: _____ Estimated Dollar Value: _____

Rental: Estimated Monthly Fee: _____ Estimated Term of Rental: _____

This job will have: ☐ One furnishing ☐ Several furnishings
☐ Tax exempt - Send exemption certificate with job sheet.

First furnishing date: _____ Last furnishing date: _____

Signature: _____ Date: _____ Company: _____

The job information sheet is primarily meant to identify the piece of property being improved, who owns the property and what role our member's customer is playing on the construction project.

NACM | SECURED TRANSACTION SERVICES
JOB INFORMATION SHEET

Customer: _____ Phone: _____ Email: _____
Street Address: _____ City: _____ State: _____ ZIP: _____
Customer: ☐ Owner ☐ General Contractor ☐ Subcontractor ☐ Material Supplier ☐ Leasehold Interest
☐ Public/Private Partnership (P3) ☐ Sub-subcontractor ☐ Commercial/Utility Funded/Verified

PROJECT INFORMATION

DATE: _____ CITY: _____ STATE: _____
PROJECT NUMBER: _____ COUNTY: _____
SCL Number: _____ (UT Projects Only) MRLR Number: _____ (A-Residential) Registry Number: _____ (PR and NC)

PROPERTY OWNER/LEASING AUTHORITY

DATE: _____ CITY: _____ STATE: _____
PROJECT NUMBER: _____ COUNTY: _____
PROPERTY LEASEHOLDER

DATE: _____ CITY: _____ STATE: _____
PROJECT NUMBER: _____ COUNTY: _____

PRIME CONTRACTOR

DATE: _____ CITY: _____ STATE: _____
PROJECT NUMBER: _____ COUNTY: _____

SUBCONTRACTOR (if other than customer)

DATE: _____ CITY: _____ STATE: _____
PROJECT NUMBER: _____ COUNTY: _____

PRIME'S BONDING COMPANY Is this a private bonded job? ☐

DATE: _____ CITY: _____ STATE: _____
PROJECT NUMBER: _____ COUNTY: _____

SUB'S BONDING COMPANY

DATE: _____ CITY: _____ STATE: _____
PROJECT NUMBER: _____ COUNTY: _____

ARCHITECT

DATE: _____ CITY: _____ STATE: _____
PROJECT NUMBER: _____ COUNTY: _____

Estimated Quantity: _____ Estimated Order Value: _____
Rental: Estimated Monthly Fee: _____ Estimated Term of Rental: _____
This job will have: ☐ One furnishing ☐ Several furnishings
First furnishing date: _____ Last furnishing date: _____
Signature: _____ Date: _____ Company: _____



BANK



OWNER



Property



GENERAL CONTRACTOR



SUBCONTRACTOR



SUBCONTRACTOR



SUBCONTRACTOR



MATERIAL SUPPLIER



SERVICE PROVIDER



MATERIAL DISTRIBUTOR

Another reason job information is so critical is that our members may be extending credit on a job account that our member's customer can't support.

NACM | SECURED TRANSACTION SERVICES
JOB INFORMATION SHEET

Customer: _____ Phone: _____ Email: _____
Overall Address: _____ State: _____ ZIP: _____
City: _____
Customer: ☐ Owner ☐ General Contractor ☐ Subcontractor ☐ Material Supplier ☐ Leasehold Interest
☐ Public/Private Partnership (P3) ☐ Sub-subcontractor ☐ Commercial/Utility Funded/Verified

PROJECT INFORMATION

SIZE: _____
PROJECT NUMBER: _____
RISK: _____
SCR Number: _____ (UT Projects Only) MRLR Number: _____ (A-Roadside) Registry Number: _____ (PR and NC)

PROPERTY OWNER/WARDING AUTHORITY

SIZE: _____
PROJECT NUMBER: _____
RISK: _____
PROPERTY LEASEHOLDER

SIZE: _____
PROJECT NUMBER: _____
RISK: _____

PRIME CONTRACTOR

SIZE: _____
PROJECT NUMBER: _____
RISK: _____

SUBCONTRACTOR (if other than customer)

SIZE: _____
PROJECT NUMBER: _____
RISK: _____

PRIME'S BONDING COMPANY Is this a private bonded job? ☐

SUB'S BONDING COMPANY

ARCHITECT

SIZE: _____
PROJECT NUMBER: _____
RISK: _____

Estimated Quantity: _____ Estimated Order Value: _____
Rental: Estimated Monthly Fee: _____ Estimated Term of Rental: _____
This job will have: ☐ One furnishing ☐ Several furnishings
First furnishing date: _____ Last furnishing date: _____
Signature: _____ Date: _____ Company: _____



BANK



OWNER



Property



GENERAL CONTRACTOR



SUBCONTRACTOR



SUBCONTRACTOR



SUBCONTRACTOR



MATERIAL SUPPLIER



SERVICE PROVIDER



MATERIAL DISTRIBUTOR

Our member may receive a credit application from the subcontractor and when they run the credit application, the subcontractor may only qualify for a \$5,000 credit line

NACM | SECURED TRANSACTION SERVICES
JOB INFORMATION SHEET

Customer: _____ Phone: _____ Email: _____
Street Address: _____ City: _____ State: _____ ZIP: _____
Customer: ☐ Owner ☐ General Contractor ☐ Subcontractor ☐ Material Supplier ☐ Leasehold Interest
☐ Public/Private Partnership (P3) ☐ Sub-subcontractor ☐ Commercial Useful Funded Verified

PROJECT INFORMATION

SIZE: _____
RISK: _____
SCR Number: _____ (If Projects Only) MFR Number: _____ (If Residential) Registry Number: _____ (If NCI)

PROPERTY OWNER/WARDING AUTHORITY

NAME: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
RISK: _____

PROPERTY LEASEHOLDER

NAME: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
RISK: _____

PRIME CONTRACTOR

NAME: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
RISK: _____

SUBCONTRACTOR (if other than customer)

NAME: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
RISK: _____

PRIME'S BONDING COMPANY Is this a private bonded job? ☐

NAME: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
RISK: _____

SUB'S BONDING COMPANY

NAME: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
RISK: _____

ARCHITECT

NAME: _____
ADDRESS: _____
CITY: _____ STATE: _____ ZIP: _____
RISK: _____

Estimated Quantity: _____ Estimated Order Value: _____
Rental: Estimated Monthly Fee: _____ Estimated Term of Rental: _____
This job will have: ☐ One furnishing ☐ Several furnishings
First furnishing date: _____ Last furnishing date: _____
Signature: _____ Date: _____ Company: _____



BANK



OWNER



GENERAL CONTRACTOR



SUBCONTRACTOR



SUBCONTRACTOR



MATERIAL SUPPLIER



SERVICE PROVIDER

CREDIT APPLICATION AND AGREEMENT EXHIBIT

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Date: _____

A. APPLICANT

Legal Business Name: _____ (List all Trade Names, DBA's and specify any Divisions or Subsidiaries)

Street Address: _____ City: _____ State: _____ Zip: _____

Mailing Address: _____ City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____ Email: _____

Ship-to Address: _____

Estimated Annual Sales: _____ Person to contact about account: _____

Ant. of Credit Req. \$ _____ Type of Business: _____ How Long in Business: _____

B. BUSINESS INFORMATION

FEIN (Federal Tax Identification No.) (if applicable): _____ or SS#: _____

☐ Sole Proprietorship

☐ Partnership Partner: _____ Partner: _____

☐ Corporation/LLC (Circle one) President/Member: _____ Vice President/Member: _____ Secretary/Member: _____ Treasurer/Member: _____

☐ Other: LP / LLP / Joint Venture / Trust Principal/Partner/Trustee: _____ Principal/Partner/Trustee: _____

Sales Tax Exemption Certificate ☐ Yes ☐ No (if yes, enclose signed certificate or copy)

C. BANKING INFORMATION

Bank: _____ Phone: _____

Address: _____ City: _____ State: _____ Zip: _____

Officer Contact: _____ Acct. No.: _____ Type of Acct.: _____

Acct. No.: _____ Type of Acct.: _____

I hereby authorize bank named above to release information requested for the purpose of obtaining and/or reviewing credit.

Signature: _____ Date: _____

D. TRADE REFERENCES (Please provide three references)

Name: _____ Contact: _____ Address: _____

1. _____

2. _____

3. _____

The preceding information is for the purpose of obtaining credit and is warranted to be true. I/We hereby authorize [Your Company Name Here] to investigate all references and customary credit information sources including consumer credit reporting repositories (see Consent to Obtain Consumer Credit Report below) regarding my/our credit and financial responsibility for the purpose of obtaining credit and for periodic review for the purpose of maintaining

MATERIAL DISTRIBUTOR

COMPANY NAME		<h1 style="margin: 0;">Purchase Order</h1>	
You're Address: City, State, Zip Phone: 777-123-4567			
To:		Ship To:	
Name:		Name:	
Company:		Company:	
Address:		Address:	
City, State, Zip:		City, State, Zip:	
Phone:		Phone:	

Date	Requisitioned By	F.O.B Point	Terms

Quantity	Description	Unit Price	Total
Comments:		Subtotal	<div style="background-color: yellow; padding: 5px; text-align: center;"> \$40,000 worth of stuff </div>
Total		Total	

CREDIT APPLICATION AND AGREEMENT EXHIBIT
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Date _____

A. APPLICANT

Legal Business Name _____
(List all Trade Names, DBA's and specify any Divisions or Subsidiaries)

Street Address _____ City _____ State _____ Zip _____
Mailing Address _____ City _____ State _____ Zip _____
Phone _____ Fax _____ Email _____
Ship-to Address _____
Estimated Annual Sales _____ Person to contact about account _____
Amt. of Credit Req. \$ _____ Type of Business _____ How Long in Business _____

B. BUSINESS INFORMATION

FEIN (Federal Tax Identification No.) (if applicable) _____ or SS# _____

☐ Sole Proprietorship _____
Partner _____
Partner _____

☐ Corporation/LLC _____
(Circle one) President/Member _____ Vice President/Member _____
Secretary/Member _____ Treasurer/Member _____

☐ Other: LP / LLP / Joint Venture / Trust _____
Principal/Partner/Trustee _____
Principal/Partner/Trustee _____

Sales Tax Exemption Certificate ☐ Yes ☐ No (If yes, enclose signed certificate or copy)

C. BANKING INFORMATION

Bank _____ Phone _____
Address _____ City _____ State _____ Zip _____
Officer Contact _____ Acct. No. _____ Type of Acct. _____
Acct. No. _____ Type of Acct. _____

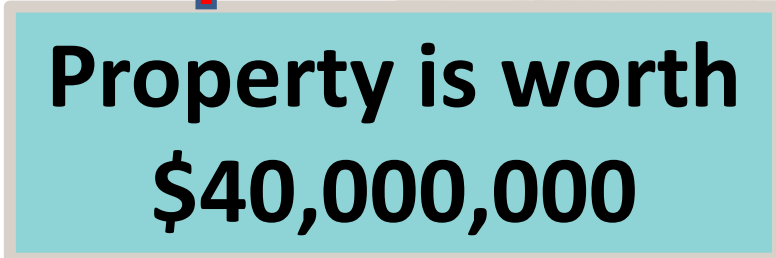
I hereby authorize bank named above to release information requested for the purpose of obtaining and/or reviewing credit.

Signature _____ Date _____

D. TRADE REFERENCES (Please provide three references)

Name	Contact	Address
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

The preceding information is for the purpose of obtaining credit and is warranted to be true. I/We hereby authorize [Your Company Name Here] to investigate all references and customary credit information sources including consumer credit reporting repositories (see Consent to Obtain Consumer Credit Report below) regarding my/our credit and financial responsibility for the purpose of obtaining credit and for periodic review for the purpose of maintaining

[illegible]

In most states, you don't have to know who the lender is.
That's not the case in California and Arizona

JOB INFORMATION SHEET

Customer: _____ Phone: _____ Email: _____
Street Address: _____
City: _____ State: _____ ZIP: _____
Customer: ☐ Owner ☐ General Contractor ☐ Subcontractor ☐ Material Supplier ☐ Leasehold Interest
☐ Public/Private Partnership (P3) ☐ Sub-subcontractor ☐ Commercial Useful Function Verified

PROJECT INFORMATION

NAME _____
STREET ADDRESS _____ CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____
SCR Number _____ (UT Projects Only) MNLR Number _____ (IA Residential) Registry Number _____ (PA and NC)

PROPERTY OWNER/AWARDING AUTHORITY

NAME _____
STREET ADDRESS _____
CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____

LENDER - (CA & AZ Projects Only)

NAME _____
STREET ADDRESS _____
CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____

Tools:

- The Lien Navigator
- Preliminary notice services, all 50 states
- Next action date tracking
- National Attorney Network for filing mechanic's liens
- National Attorney Network for filing bond claims
- National Attorney Network to file suit to enforce mechanic's liens and bond claim
- UCC Filings

Members have access to an individual tool or all tools.

Tools:

- The Lien Navigator

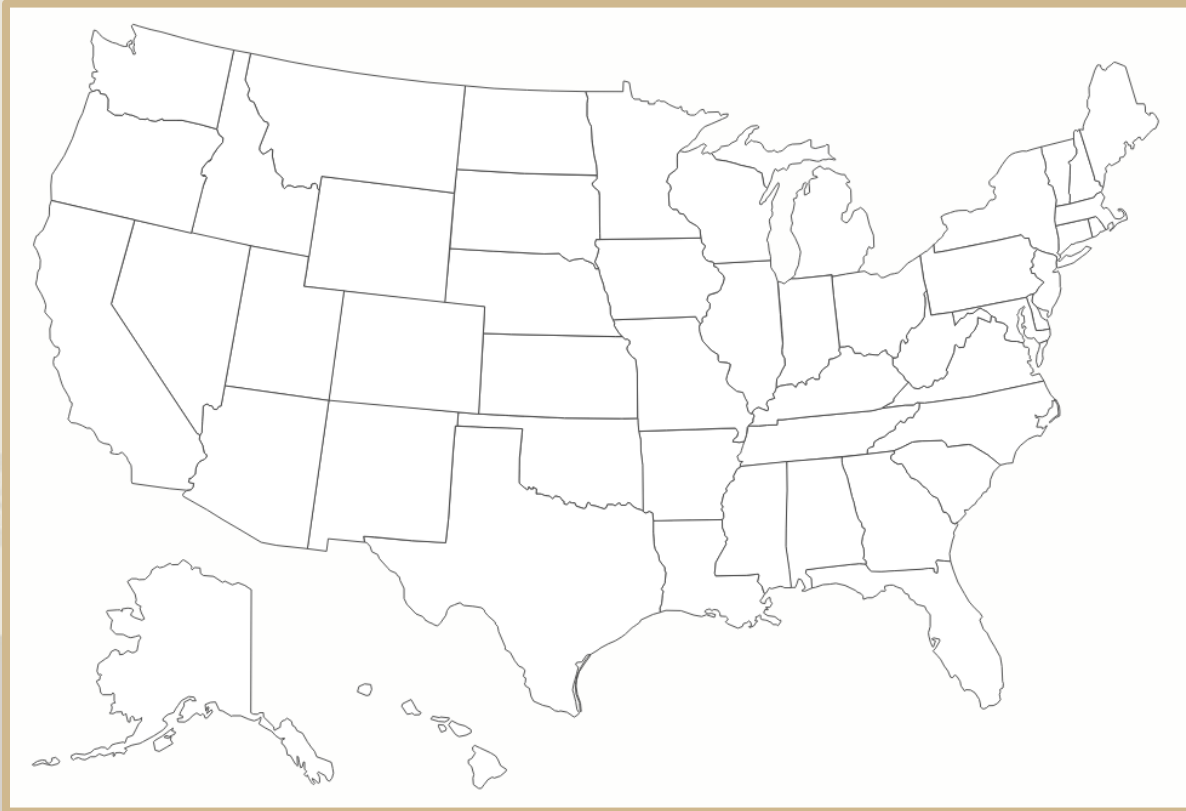


- Preliminary notice services, all 50 states
- Next action date tracking
- National Attorney Network for filing mechanic's liens
- National Attorney Network for filing bond claims
- National Attorney Network to file suit to enforce mechanic's liens and bond claim
- UCC Filings

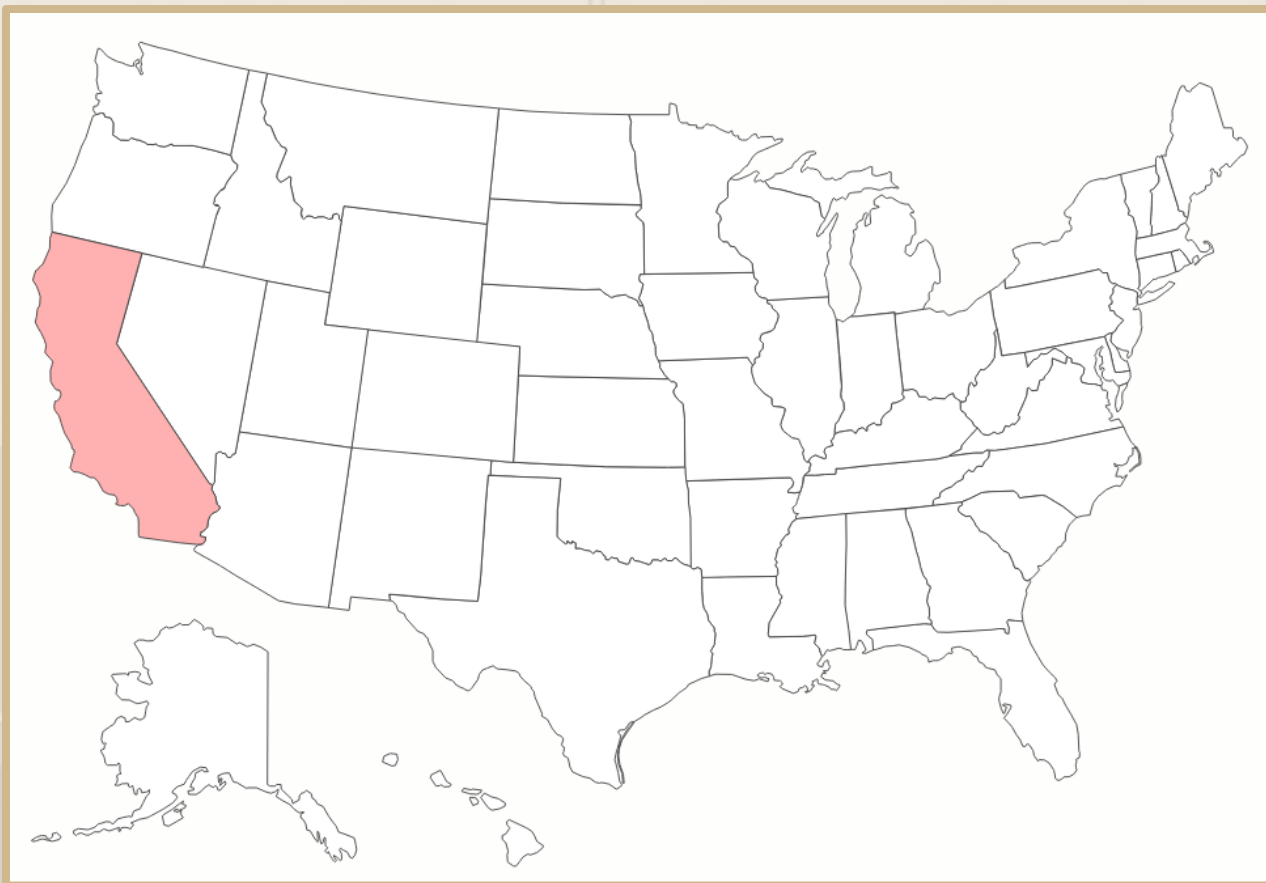
Members have access to an individual tool or all tools.

The Lien Navigator

The right to file a mechanic's lien or claim against a payment bond is based on state statute.



Lien rights are based on state statute. So if the material supplier is only selling in one state, they just need to understand that one statute



**But even if your member is working only in 1 state,
there are at least three different statutes to be aware of.**

Type of Project _ Who is the Owner



Public

If the land being improved is "Public" the owner is state or county or a city (municipality).

These projects are not subject to the mechanic's lien laws they're subject to state bond claim laws.



Private Projects

If the land being improved is "Private" the owner is an individual, partnership or corporation.

These projects are not subject to the state bond claim laws, they're subject to mechanic's lien laws.



Federal

If the land being improved is "Federal" the owner is the Federal Government. These projects are not subject to the state bond claim or mechanic's lien laws, they're subject to Federal Miller Act.



Private Time Frames

Project owner is a corporation, partnership or individual.

[Stop Notice Time Frames](#)



Public Time Frames

Project owner is a state, county, municipality.

[Stop Notice Time Frames](#)



Federal Time Frames

Project owner is the federal government.



Oil & Gas Lien

Work or machinery/supplies furnished on a well or pipeline.



California Private Time Frames

Step 1: Notice

- **Direct Contractor:** Notify lender within **20 days** of first furnishing.
- **Others:** Preliminary Notice to the owner, direct contractor and lender, if any, within **20 days** of first furnishing.
- A late notice may be served but will only retroactively trap **20 days** from the date the late notice is served.

Step 2: Lien

- Serve the Owner the Mechanic's Lien and Notice of Mechanic's Lien **prior to filing**.
- Within **90 days** after completion of the entire work unless the owner has recorded a Notice of Completion or a Notice of Cessation. If either of these notices has been recorded the original contractor must file within **60 days** after recording, other claimants must file within **30 days** after the recording.

Step 3: Foreclosure

- File suit action within **90 days** of recording lien and record notice of pendency within **20 days** after the filing of the foreclosure action unless extended by a statutory Notice of Credit but, in any case, not more than a year after completion of the work of improvement.

California Private Stop Notice Time Frames

Step 1: Notice

- Within **20 days** of first furnishing labor or material.

Step 2: Stop Notice

- Within 90 days after completion of the entire work unless the owner has recorded a Notice of Completion or a Notice of Cessation. If either of these notices has been recorded the original contractor must file within **60 days** after recording, other claimants must file within **30 days** after the recording.
- For the **Claimant** to receive funds from the Stop Payment Notice claim, **he or she must post a Release Bond given by an admitted surety insurer equal to 125% of the amount of the claim**. Once this bond is posted, the funds obtained through Stop Payment Notice must be released by the Owner (\$8510).

Step 3: Suit

- Within **90 days** of the last day to record the mechanics' lien.

The “Speed Bumps” tab in each state breaks down the statute in even more detail



California Speed Bumps

Private Speed Bumps

- California is a **“full price lien”** state.
 - Claimant of Mechanic's Lien is entitled to full amount owed from owner regardless of payments made to Direct Contractor (California's name for General Contractor)(§8430).
- Contractors, Direct or Remote, who are not duly licensed under California Business and Professional Code §7031, are barred from enforcing any action including Mechanic's Liens, Stop Payment Notices or Payment Bond actions to recover amounts due for their work (§7031). Supplying materials to an unlicensed contractor does not negate the supplier's lien rights.
- Suppliers who provide installation services in conjunction with materials may be considered Subcontractors subject to §7031 and would need to be licensed (§7052, Steinbrenner v. J. A. Waterbury Const. Co., 212 Cal.App.2d 661, 28 Cal. Rptr. 204).

Notice Speed Bumps

- The "Preliminary Notice" must be filed within 20 days of first furnishing of work or materials. A Mechanic's Lien, Stop Payment Notice or Claim against bond may only be made for work performed or material provided within the 20 day window prior to the date of the Preliminary Notice (§8204(a)).
- If a claimant provides work for contract with more than one subcontractor, the claimant must give preliminary notice under each contract (§8204(b)).
- Failure to provide Preliminary Notice for any work or materials greater than \$400 in value may be grounds for disciplinary action under California's state licensing laws (§8216).
- To Claim a Mechanic's Lien on any of the following parties, Preliminary Notice must have been given (§8200).
 - Owner or reputed owner.
 - Direct Contractor or reputed Direct Contractor whether work is provided through a contract directly with the Direct Contractor or through a Subcontractor.

California

Statute

Law Link

Private

Public

Speed Bumps →

Waivers

Oil & Gas Lien

Federal

Public Records Online

Date Calculator

Glossary

The “Waiver” tab provides details on the different types of waivers and things you should consider before signing a waiver

California

Statute

Law Link

Private

Public

Speed Bumps

Waivers →

Oil & Gas Lien

Federal

Public Records Online

Date Calculator

Glossary

LIEN NAVIGATOR

California Waivers

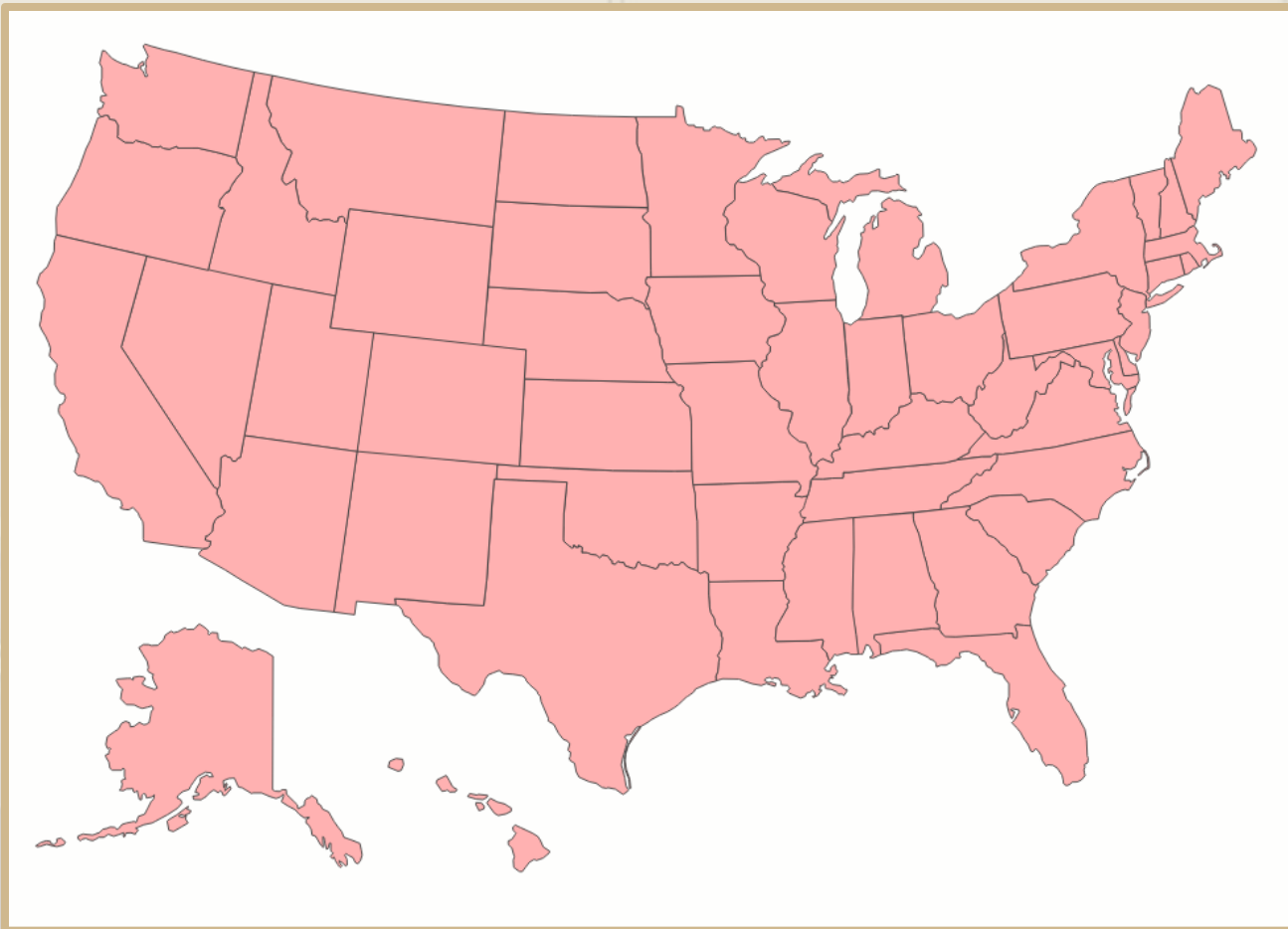
- California Waiver Templates
 - Unconditional Waiver and Release Upon Final Payment
 - Unconditional Waiver and Release Upon Progress Payment
 - Conditional Waiver and Release Upon Final Payment
 - Conditional Waiver and Release Upon Progress Payment
- The original contractor may not waive the lien on behalf of subcontractors or materialmen.
- Waiver of lien rights is permitted provided that the release follows substantially one of the forms set forth in CA 3262 and is signed by the claimant or his or her authorized agent, and, in the case of a conditional release, there is evidence of payment to the claimant. Evidence of payment may be by the claimant's endorsement on a single or joint payee check that has been paid by the bank upon which it was drawn or by written acknowledgment of payment given by the claimant.
- Pay-if-paid clauses are not enforceable in California.
- "Pay when Paid" not enforceable in California
- Pay-when-paid clause in the subcontract did not create a condition precedent to payment.
- S.B. 293, effective as of January 1, 2012, capped retention on public contracts at 5%. It also shortened, from 10 days to 7 days, the deadline by which contractors higher up in the ladder of supply must pay subcontractors after the higher-tier contractors receive progress payments.

Retainage Provisions

Public

- CAL. PUB. CONT. CODE § 10261.** Payments upon contracts shall be made as the department prescribes upon estimates made and approved by the department, but progress payments shall not be made in excess of 95 percent of the percentage of actual work completed plus a like percentage of the value of material delivered on the ground or stored subject to or under the control of the state, and unused, except as otherwise provided in this section. The department shall withhold not less than 5 percent of the contract price until final completion and acceptance of the project. However, at any time after 95 percent of the work has been completed, the department may reduce the funds withheld to an amount not less than 125 percent of the estimated value of the work yet to be completed, as determined by the department, if the reduction has been approved, in writing, by the surety on the performance bond and by the surety on the payment bond. A contractor may substitute securities in lieu of retainage or request that payments be made into an escrow account. CAL. PUB. CONT. CODE § 10263.

For material suppliers selling to multiple states or all 50 states, the need to understand the local statute can be daunting.



That is what makes NACM's Mechanic's Lien and Bond Services (MLBS) Lien Navigator such a valuable tool



What is the Lien Navigator?

The STS Lien Navigator is the credit professional's authoritative guide to notice, lien, payment bond and suit time requirements for all 50 states and Canada. Credit professionals can rely on the *Navigator* to determine when and how action needs to be taken to protect lien rights across the 50 states, DC and Canada. The real-time *Navigator* ensures that you'll always have current information. Specific questions are also answered for subscribers through the Navigator Answer Line. The *Navigator* is a web-based service, accessed through our website and available from any computer with Internet access.

Welcome to the Lien Navigator

Start by selecting your desired location below.

United States | Canada | U.S. Territories | Miller Act

- The Lien Navigator is available by subscription for \$400 per year with unlimited users for all parent, child and sister related companies.
- Once you subscribe, you receive an additional user spreadsheet to add as many team members as you like.
- A Secured Transaction Services team member follows up with the main subscriber to assure all users have access and provides a 15-20-minute walk through of the tool.

The MLBS Lien Navigator is the credit professional's authoritative guide to notice, lien, payment bond and suit time requirements for all 50 states, D.C., and Canada. In addition, the *Navigator* includes the following benefits, sections and links:

- **Newly Added – Construction Credit Academy** - The Construction Credit Academy offers a selection of free Navigator subscriber webinars on a variety of construction topics. A core of basic topics anchors the academy with new advanced topics added to keep the offerings fresh.
- **Unlimited Users:** Additional users can be set up at any time.
- **MLBS Answer Line:** In addition to the online guide the answer line is designed to answer specific questions regarding state statutes.
- **Quick Lists:** A quick reference to direct to lien states, immediate action states, lien right limits, full price and unpaid balance lien states, etc.
- **Speed Bumps:** Beyond the time frames, statute nuances designed to help you make a better credit decision.
- **Bond Bits:** Updated and current state by state bond thresholds and minimums.
- **Waiver Wire:** Contractual waiver considerations and pay if/when paid clause validity.
- **Glossary Section:** Includes waiver, job information and joint check templates and the 100 construction credit terms you need to know.
- **Oil & Gas Liens:** Includes time requirements and statutes for states that provide for this type of protection.
- **Business Credit:** The Navigator includes lien and bond article archives from NACM's *Business Credit* and *eNews* publications.

Simply put, the Navigator explains when and how action needs to be taken to protect lien rights across the 50 states DC and Canada. As statutes change, the Navigator is updated, ensuring that you always have current information and again specific questions are answered for subscribers through the **Navigator Answer Line**.

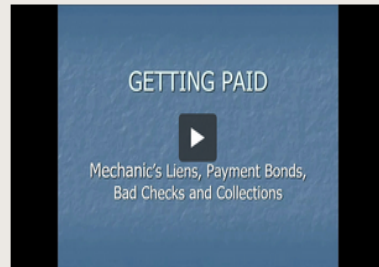
As of Sept 23, 2020 there are 18 videos with at least 1 new video added each month

All Construction Contracts Good Practices Liens State Specifics Waivers



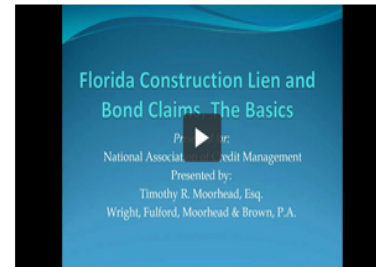
(NEW!) Arizona Preliminary Notices – Doing them timely and accurately is vitally important during periods of economic uncertainty

Presented by Chris Ring
NACM's Secured Transaction Services



(NEW!) SHOW ME THE MONEY – How to Use Mechanic's Liens and Bond Claims in Missouri to Improve Cashflow

Presented by Kevin Seltzer, Esq.
Seltzer & Seltzer, LC



(NEW!) Florida Construction Lien and Bond Claims, The Basics

Presented by Timothy R. Moorhead, Esq.
Wright, Fulford, Moorhead & Brown, P.A.



Utah Lien Law: What You Need to Know!

Presented by Jason H. Robinson
Babcock Scott & Babcock, P.C.

Above and beyond the normal details that some service providers give away on their website, the Lien Navigator takes a deeper dive on some critical issues in our “Quick Links” tab.

Phone: 410-740-5560

States – NA

You are here: [Home](#) ▶ States

Welcome to the Lien

Start by selecting your desired

[United States](#) | [Canada](#) | [U.S. Ter](#)

- ⊙ Type Of Project / Who Is The Owner
- ⊙ State Requirements At-a-Glance
- ⊙ Quick References
- ⊙ Date Calculator
- ⊙ Construction Credit Academy
- ⊙ Newsmakers
- ⊙ Glossary
- ⊙ Reference Articles
- ⊙ Enews

The “States Requirements At-a-Glance” tab in the Quick Link drop down is so valuable

⦿ Type Of Project / Who Is The Owner

⦿ State Requirements At-a-Glance

⦿ Quick References

⦿ Date Calculator

⦿ Construction Credit Academy

⦿ Newsmakers

⦿ Glossary

⦿ Reference Articles

⦿ Enews

The States Requirements At-a-Glance tab provides aggregate information in critical decision areas

List of First Furnishing States

List of Notice of Commencement States

List of State-by-State Contractor's License Requirement

List of Direct to Lien States

List of Notice of Completion States

List of Rights for Suppliers to Suppliers

List of States Requiring Dollars on NTOs

List of Remote Contractors States

List of waiver forms governed by state statute


List of Full Price and Unpaid Balance Lien States

List of Construction Trust Fund States

List of Immediate Action States

List of Pay if Paid Clause Enforceable

A credit manager may still be unclear about the statute or how the statute affects their job account. No worries, they can click the “Let’s Chat” button and call any of our friendly staff to answer their question!



**SECURED
TRANSACTION
SERVICES**
Driving results

Q

LET'S CHAT!

HOME ABOUT SERVICES CLIENT LOGIN CONTACT US NACM

Contact NACM's Secured Transaction Services

Name	Phone
Chris Ring - National Sales Representative	410-302-0767
Connie Baker, CBA – Director of Operations	410-423-1846
Susan Riley, CBA - Assistant Director of Operations	410-423-1847
Carol Davis - Legal Placement Specialist	410-423-1848
Jennifer Roberts - Services Manager	410-423-1843
Jocelyn Vanlandingham - UCC and NTO Filing Specialist	410-740-5560 ext:1030

Because sales reps are often tasked to gather job information, we find that when our members submit service requests, they often times have inaccurate information on the job information sheet.

JOB INFORMATION SHEET

Customer: _____ Phone: _____ Email: _____
Street Address: _____
City: _____ State: _____ ZIP: _____
Customer: ☐ Owner ☐ General Contractor ☐ Subcontractor ☐ Material Supplier ☐ Leasehold Interest
☐ Public/Private Partnership (P3) ☐ Sub-subcontractor ☐ Commercial Useful Function Verified

PROJECT INFORMATION

NAME _____
STREET ADDRESS _____ CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____
SCR Number _____ (UT Projects Only) MNLR Number _____ (IA Residential) Registry Number _____ (PA and NC)

PROPERTY OWNER/AWARDING AUTHORITY

NAME _____
STREET ADDRESS _____
CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____

PROPERTY LEASEHOLDER

NAME _____
STREET ADDRESS _____
CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____

PRIME CONTRACTOR

NAME _____
STREET ADDRESS _____
CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____

SUBCONTRACTOR (if other than customer)

NAME _____
STREET ADDRESS _____
CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____

LENDER - (CA & AZ Projects Only)

NAME _____
STREET ADDRESS _____
CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____

PRIME'S BONDING COMPANY Is this a private bonded job? ☐

NAME _____
STREET ADDRESS _____
CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____

SUB'S BONDING COMPANY

NAME _____
STREET ADDRESS _____
CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____

ARCHITECT

NAME _____
STREET ADDRESS _____
CITY _____ STATE _____ ZIP _____
PHONE _____ EMAIL _____

Estimated Quantity: _____ Estimated Dollar Value: _____
Rental: Estimated Monthly Fee: _____ Estimated Term of Rental: _____
This job will have: ☐ One furnishing ☐ Several furnishings
☐ Tax exempt – Send exemption certificate with job sheet.
First furnishing date: _____ Last furnishing date: _____
Signature: _____ Date: _____ Company: _____

And even if the job information is correct,
our members may not be sure what “type” of project they are dealing with.

Type of Project _ Who is the Owner



Public

If the land being improved is "Public" the owner is state or county or a city (municipality).

These projects are not subject to the mechanic's lien laws they're subject to state bond claim laws.



Private Projects

If the land being improved is "Private" the owner is an individual, partnership or corporation.

These projects are not subject to the state bond claim laws, they're subject to mechanic's lien laws.



We received a service request with the reputed owner as a Walmart store.

The Project type was listed as Public????

Type of Project _ Who is the Owner



Public

If the land being improved is "Public" the owner is state or county or a city (municipality).

These projects are not subject to the mechanic's lien laws they're subject to state bond claim laws.



Private Projects

If the land being improved is "Private" the owner is an individual, partnership or corporation.

These projects are not subject to the state bond claim laws, they're subject to mechanic's lien laws.



Federal

If the land being improved is "Federal" the owner is the Federal Government.

These projects are not subject to the state bond claim or mechanic's lien laws, they're subject to Federal Miller Act.

We asked our member, “Why did you list the project type as public?”
Their answer, “The Public shops there and it’s a publicly traded company”.

Type of Project _ Who is the Owner



Public

If the land being improved is "Public" the owner is state or county or a city (municipality).

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If the land being improved is "Federal" the owner is the Federal Government.

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We educated our member regarding what “Private, Public and Federal” is and completed the service request as a “Private” project.

Type of Project _ Who is the Owner



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If the land being improved is "Public" the owner is state or county or a city (municipality).

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Tools:

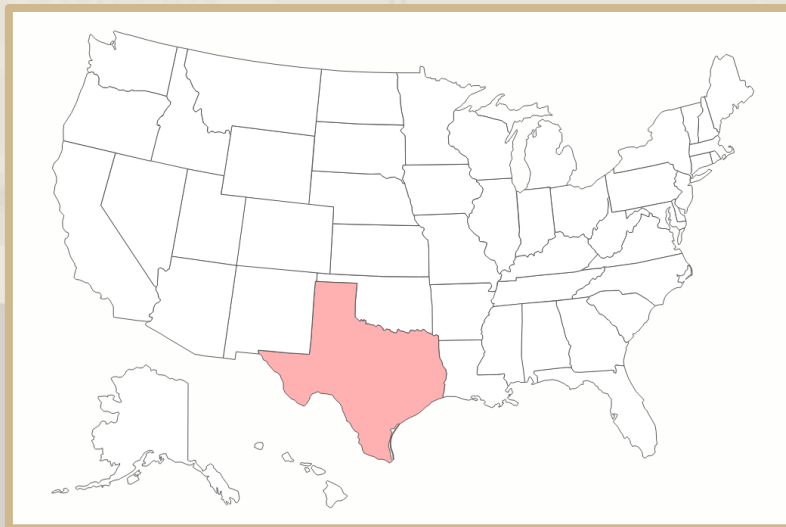
- The Lien Navigator
- Preliminary notice services, all 50 states
- Next action date tracking
- National Attorney Network for filing mechanic's liens
- National Attorney Network for filing bond claims
- National Attorney Network to file suit to enforce mechanic's liens and bond claim
- UCC Filings

Members have access to an individual tool or all tools.

- We create and serve preliminary notices for our members in **all 50 states**.
- Low volume members will use our easy to use password protected web portal to submit their service request.
- For **high volume members**, our IT staff works with our member's IT staff to assist with automating the submission process.
- Preliminary notices are **triple checked** before they are served.
- Once notices are served, members can **access their projects in real time**.
- Next action dates can be tracked by running reports in their web portal.
- We also send **next action date emails** that flow directly into our member's inbox.

What about Texas?

MLBS tracks 15th day second and third month notices FREE of charge and sends alert emails for consideration of sending the notice of non-payment for a reasonable fee. Our Asst. Director of Operations Susan Riley, CBA, personally overseas all Texas projects.



Tools:

- The Lien Navigator
- Preliminary notice services, all 50 states
- Next action date tracking
- National Attorney Network for filing mechanic's liens
- National Attorney Network for filing bond claims
- National Attorney Network to file suit to enforce mechanic's liens and bond claim
- UCC Filings

Members have access to an individual tool or all tools.

- Knowing when the next action date is to occur is of vital importance to our members
- Our members use these dates primarily has a tool to remind the subcontractor, general contractor and property owner that a lien may be filed to avoid having to file the lien **and get paid.**
- Our members don't have the time to log on to our system on a continuous basis to track when these dates are to occur, which is why our **next action date emails that flow directly into our members' inboxes** are so vitally important.

Tools:

- The Lien Navigator
- Preliminary notice services, all 50 states
- Next action date tracking
- National Attorney Network for filing mechanic's liens
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- UCC Filings

Members have access to an individual tool or all tools.

- NACM's Secured Transaction Services (STS) National Attorney Network allows our members to easily file a mechanic's lien, bond claim or initiate a lawsuit or foreclosure. We have **network attorneys in all 50 states**.
- The network attorney first **must be licensed** in the state where the transaction needs to take place.
- The lawyer and/or firm in our network must have most if not all **their practice devoted to construction**, representing title companies, banks, property owners, general contractors, subcontractor and material suppliers.
- The lawyer and/or firm must agree to our **cost-plus pricing** to assure our members are charged **a fair price** for the transaction.

Demand Letters!

- Do you have to file a lien or file suit to get paid? Maybe not.
- Demand letters can be served either by NACM's Secured Transaction Services or via our National Attorney Network.

Tools:

- The Lien Navigator
- Preliminary notice services, all 50 states
- Next action date tracking
- National Attorney Network for filing mechanic's liens
- National Attorney Network for filing bond claims
- National Attorney Network to file suit to enforce mechanic's liens and bond claim
- UCC Filings

Members have access to an individual tool or all tools.

NACM's UCC Filing Services handles every part of your UCC filing life cycle, including tracking jurisdictional requirements and expirations, calculating UCC filing fees, processing documents, writing checks and submitting UCC filings—all within our comprehensive system.

Filing a UCC is only the first step with NACM.

We will monitor all the UCC-1 filings in your portfolio for expiration or continuation, notifying you in advance of the deadlines so that you can take the appropriate action.

- **Security Agreement Templates** - We provide “Templates ”for security agreements to be reviewed and approved by management and counsel.
- **UCC Outline** - New UCC Filing members will complete a UCC Outline that details the different types of filings available and our fees associates with the types of filings.
- **Continuation assistance** - Email alerts are sent within 6 months of the expiration of a filing to help determine if a filing should be continued. Free of charge.

Trusted Solutions: Construction Solutions

Secure Your Right to Payment on EVERY Job.

- **Lien Navigator**
- **Notice to Owner Services**
- **Mechanics' Liens**
- **Suit against Bonds**
- **Foreclosures**
- **UCC Filings**

What separates us from other providers?

We understand CREDIT!

We answer the phone

Connie Baker, **CBA**, Director of Operations

Susan Riley, **CBA**, Asst. Director of Operations

Connie and Susan were construction credit managers prior to joining NACM's Secured Transaction Services. Not only do Connie and Susan fully understand secured transactions, they fully understand credit. Their goal is to secure our members' receivables to put them in the best possible position to get paid and get paid timely.

Connie Baker, CBA, Director of Operations

Susan Riley, CBA, Asst. Director of Operations

Credit Business Associate

The CBA is an academic-based designation which signals **mastery of three business credit related disciplines**: basic **financial accounting**, **business credit principles** and introductory **financial statement analysis**.

Automation vs. the Human Touch

NACM's Secured Transaction Services has invested in automation to be more efficient. But let's face it, the enforcement of secure transactions can land in a court of law.

Our philosophy is there's no better algorithm than the human brain to sift through the fine points of whether a transaction will uphold the scrutiny of opposing counsel to prove that a transaction was completed timely and accurately.

Therefore, we invest in people as well, assuring that our personnel understand the complexity of a secure transaction.

Pricing

With our strong stance of investing in people *and* automation, it can mean our price point may be higher than a provider who invests more in automation.

That being said, our pricing is competitive, plus, we don't charge for common things like rush fees. When our invoice price is compared to our competitors, we often find that our pricing is lower.

Education

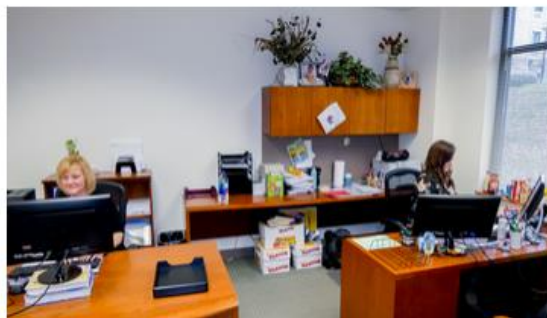
NACM has a proud history of educating the credit community. Webinars and seminars are completed routinely for our members.

And, a big thank you for directing members to attend the 2020 Credit Congress Online Showcase.



Our Mission

The expert assistance and solutions provided by STS allows its credit professional clients to reclaim precious time so they may focus on strategically positioning their companies to extend sales on credit as secured creditors.



Our Vision

By providing up-to-date information about changes to state statutes and through targeted education, credit professionals will be armed with cutting edge knowledge to lead their companies to make profitable sales decisions through the management of sound credit policy.

With its consultative and collaborative approach, STS coaches and guides credit professionals as they secure corporate receivables to ensure profitability.



Our Values

Because we believe that we are part of your team, your work is our work. We pay attention to detail, question things that don't look quite right and we are always available to consultatively work with you so that together, we make the right decision.

Trusted Solutions: Construction Solutions

Secure Your Right to Payment on EVERY Job.

- **Lien Navigator**
- **Notice to Owner Services**
- **Mechanics' Liens**
- **Suit against Bonds**
- **Foreclosures**
- **UCC Filings**

Secured Transactions in an Uncertain Economy

Working together to bring best in class secured transactions to our members

Chris Ring
NACM Secured Transaction Services
T: 410-302-0767
E: chrisr@nacm.org