

MECHANIC'S LIENS AND BOND CLAIMS

Yavapai County Contractors Association
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Prepared by
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I. MECHANIC'S AND MATERIALMAN'S LIENS

The procedure to create a mechanic's lien against real property has multiple steps and requires attention to detail. But if done correctly, a lien claim may separate you from other trades on a troubled project and get you paid.

A. Projects Subject to Liens.

(1) “[E]very person who labors or furnishes professional services, materials, machinery, fixtures or tools in the construction, alteration or repair of any building, or other structure or improvement, shall have a lien on such building, structure or improvement for the work or labor done or professional services, materials machinery, fixtures or tools furnished, whether the work was done or the articles furnished at the instance of the owner of the building, structure or improvement or his agent.” A.R.S. § 33-981(A).

(2) The general contractor or architect or other person in charge of the project is considered the agent of the owner for purposes of the mechanic's lien statutes. A.R.S. § 33-981(B).

(3) Exceptions: No liens are allowed in following situations:

(a) **Public/governmental projects.** No liens against properties owned by the state, county, city, etc. Payment bonds are usually required, however.

(b) **Owner-occupied dwellings.** No mechanic's liens are allowed against an owner-occupied dwelling unless the claimant has a signed, written contract directly with the owner-occupant. An owner-occupant may not waive this protection. A.R.S. § 33-1002.

A dwelling is defined as real property on which there is or will be constructed a single one-family or two-family residence, including an apartment in a horizontal property regime or other condominium. An owner-occupant is a natural person who either owns the property or has a recorded contract for the purchase of it at the time the construction, alteration, repair or improvement begins. The person must either reside in the property as a home or intend to live in it at least 30 days during the 12 month period immediately following completion of the work. Residence in the dwelling or the intent to reside in it may be evidenced by the owner placing his personal belongings or furniture in the home, by occupying it or the owners' family occupying it or by other physical acts.

(c) **Payment Bond In Lieu of Lien Rights.** A property owner may avoid mechanic's liens by requiring the person with whom he contracts to furnish a payment bond. The payment bond and a copy of the contract must be recorded in the county in which the property is located. The contract must contain a legal description of the property. The amount of bond shall be equal to the full amount of the contract. If so, then no liens are allowed against the property except by the person who contracts, in writing, directly with the owner. A.R.S. § 33-1003. If the owner receives a preliminary notice or request for information under A.R.S. § 33-991.01, then the owner must also provide a copy of any payment bond in lieu of lien rights. If the owner does not do so, the claimant retains lien rights to the extent it is precluded from pursuing a bond claim because it did not receive the information timely. A.R.S. § 33-992.01(J).

(d) **Unlicensed Contractors.** A person who is required to have a contractor's license must have one in order to have lien rights. A.R.S. § 33-981(C).

(e) **Professional Services.** A person providing professional services has lien rights only if they have an agreement directly with the owner or with an architect, engineer or contractor who has an agreement with the owner. A.R.S. § 33-981 (F). They must also have any required registration or license to perform the work. A.R.S. 33-981(E).

B. Preliminary 20-day Notice.

(1) Who must serve a preliminary notice:

(a) Virtually everyone. General contractors, sub-contractors, materialmen and subcontractor's subcontractors must serve a preliminary notice in order to perfect a lien claim.

(b) The only exception to the requirement is a person performing actual labor for wages.

(2) Timeline for preliminary notices:

(a) **20 days from first work or delivery of materials.** The preliminary notice must be mailed within 20 days from first delivery of materials or labor to a job. Copies are mailed to the owner, original contractor, construction lender and the person with whom claimant contracted by first-class mail sent with a certificate of mailing, certified or registered mail. Proof of service as set forth in A.R.S. § 33-992.02 is required.

(b) **Late preliminary notice.** If a claimant does not timely serve a preliminary 20 day notice it is not precluded from doing so later. In such a case, the claimant will have a lien only for that portion of labor and materials furnished within 20 days prior to the service of the notice and afterward. A.R.S. § 33-992.01(E).

(c) **Owner Correction of Information in Notice.** Within 10 days after receiving written request or within 10 days of receipt of a preliminary notice, the owner must furnish the legal description or other description of the jobsite, name and address of the owner, general contractor and construction lender sufficient to complete the 20-day notice. If the owner fails to furnish this information it is barred from defending a lien claim based on any inaccuracy of such information contained in a preliminary notice. A.R.S. § 33-992.01(I) & (J).

(d) **Revised Notice after receiving Corrected Information.** The claimant must serve an amended preliminary notice within 30 days of receipt of information from the owner correcting any errors contained in its preliminary notice. A.R.S. § 33-992.01(J).

(3) Obtaining information to complete the preliminary 20-day notice:

(a) Contract documents, plans and specifications.

(b) Written request for information to the owner or corrected information after sending owner preliminary notice.

(c) Yavapai County Assessor records online:
<http://gis.co.yavapai.az.us/map.aspx>

(d) Yavapai County Recorder records online:
<http://eweb.co.yavapai.az.us/recorder/web/>

(e) Municipality or County issuing building permit.

C. Contents of Preliminary Notice.

Each preliminary 20-day notice must substantially follow the form set forth in A.R.S. § 33-992.01(D), a copy of which is **Attachment A**. The following information must be included:

(1) A general description of the labor and materials furnished or to be furnished and an estimate of the total price. The amount is valid so long as the value of the labor, materials, etc. does not exceed the estimate by 20% or more. If the actual value exceeds the stated estimate by 20% or more, an additional preliminary notice must be sent with the larger amount;

(2) The name and address of the claimant;

(3) The name of the person with whom the claimant contracted;

(4) The legal description, subdivision plat, street address, location with respect to commonly known roads or other landmarks in the area or any description of jobsite sufficient for identification; and,

(5) The statements and notices in the form that is **Attachment A.**

(6) A proof of service must also be prepared in the form that is **Attachment B.** A.R.S. § 33-992.02.

D. Notice and Claim of Lien

(1) **Deadline to Record a Notice and Claim of Lien.** The next step in perfecting a lien is to record a notice and claim of lien. The lien notice must be recorded not later than the following:

(a) Within 120 days after “completion” of the building, structure or improvement; or

(b) If a notice of completion has been recorded, within 60 days after the notice was recorded. A.R.S. § 33-993(A).

(2) **“Completion” Defined.** “Completion” for purposes of the mechanic’s lien statutes is the earliest of the following:

(a) Thirty days after final inspection and written final acceptance by the governmental body which issued the building permit for the building, structure or improvement. If no building permit was issued or if the governmental body that issued the permit does not issue final inspections and written acceptances, then “completion” means the last date on which any labor, materials, fixtures or tools were furnished to the property.

(b) Cessation of labor for a period of 60 consecutive days, except when such cessation of labor is due to a strike, shortage of materials or act of God.

(3) Contents of Notice and Claim of Lien

The Notice and Claim of Lien shall be made under oath by the claimant or someone with knowledge of the facts and shall contain:

(a) The legal description of the lands and improvements to be charged with the lien.

(b) The name of the owner or reputed owner of the property concerned, if known, and the name of the person by whom the lienor was employed or to whom he furnished materials.

(c) A statement of the terms, time given and conditions of the contract, if it is oral, or a copy of the contract, if written. A statement of the essential terms of the contract may be provided in place of a copy of the written contract. *Peterman-Donnelly Engineers & Contractors Corp. v. First National Bank of Arizona*, 2 Ariz. App. 321, 408 P.2d 841 (1965).

(d) A statement of the lienor's demand, after deducting just credits and offsets.

(e) A statement of date of completion of the building, structure or improvement, or any alteration or repair of such building, structure or improvement.

(f) A statement of the date the preliminary 20-day notice required by § 33-992.01 was served. A copy of the preliminary notice and the proof of service required by § 33-992.02 must be attached.

(4) Recording and Service of Notice and Claim of Lien.

A claimant must record the notice and claim of lien in the county in which the property or some part of the property is located and within a reasonable time thereafter serve the remaining copy upon the owner of the building, structure or improvement. Service of the notice and claim of lien may be made by first class mail with a certificate of mailing, registered mail or certified mail.

E. Notice of Completion.

The time limit in which a notice and claim of lien must be recorded can be shortened by recording and serving a notice of completion. This written notice must be recorded with the county recorder of the county in which the property or some part of the property is located. It may only be recorded after completion and must be signed and verified by the owner or his agent in the form set forth in A.R.S. § 33-993(E). **Attachment C.** The owner or its agent shall within 15 days of recording mail copies by registered or certified mail to the original contractor and all who have served preliminary 20-day notice on owner. If notice is not mailed timely, then the 60 day deadline by which to record notices and claims of lien under A.R.S. § 33-993(A) does not apply.

The notice must contain:

- (1) The name and address of the owner. If more than one owner, the names and addresses of all owners. If signed by successor, the name of transferors.
- (2) The nature of the interest or estate of the owner.
- (3) The legal description of the jobsite and the street address. The validity of the notice is not affected by the fact that the street address recited is erroneous or that such street address is omitted.
- (4) The name of the original contractor, if any.
- (5) The names and addresses of any predecessors in interest if the property was transferred after the beginning of the work or improvement.
- (6) The nature of the improvements of the real property.

F. Filing Suit to Enforce Lien.

An action of the lien must be filed no later than six months after the notice and claim of lien is recorded. When the lien foreclosure action is brought, the claimant must record in the county in which the property is located a notice of pendency of action, or lis pendens, no later than five days after the action is filed. The lien claim will no longer be valid if either the lawsuit or the notice of pendency of action is untimely. The successful party may be awarded its reasonable attorneys' fees in the action. A.R.S. § 33-998.

G. Surety Bond to Discharge a Lien.

After perfection of a lien, an owner, including any person who has a legal or equitable interest in the land which is subject to the lien, a contractor, subcontractor, mortgagee or other lien creditor, may either before or after the commencement of an action to foreclose such lien record in the office of the county recorder, in the county where the land is located, a surety bond together with a power of attorney disclosing the authority of the person executing the same on behalf of the surety. Upon recordation, the property shall be discharged of the lien. A.R.S. § 33-1004.

(1) Amount of Bond: Amount equal to one and one-half times the claim secured by the lien.

(2) Service of Bond: The principal of such bond shall, upon recordation, cause a copy to be served within a reasonable time upon the lien claimant. If a suit to foreclose the lien is pending, claimant shall within 90 days after receipt of the bond add the surety and the principals as parties to lien foreclosure suit.

(3) Discharge of Bond and Release of Principal and Surety: The bond shall be discharged and the principal and sureties released upon any of the following:

(a) Failure of the lien claimant to commence a suit to enforce the lien within 6 months after it is recorded.

(b) Failure of the lien claimant to name the principal and sureties as parties to the action to foreclose the lien if a copy of the bond has been served upon the claimant. If the bond is served upon the claimant within less than 90 days from the date claimant would be required to commence his foreclosure action, then the claimant shall have 90 days from the date he receives a copy of the bond to add the principal and the sureties as parties to the lien foreclosure suit.

(c) The dismissal of the foreclosure suit with prejudice as to the claimant or entry of judgment in such suit against claimant.

(4) If bond is not served upon claimant, claimant shall have 6 months after discovery of such bond to commence an action thereon, except that no action may be commenced on such bond after 2 years from the date it was recorded.

H. Releasing Lien Rights.

The lien statutes provide for the use of certain lien release forms. These forms appear in A.R.S. § 33-1008. The different forms are to be used in four situations. There are “conditional” and “unconditional” forms and “progress payment” and “final payment” forms. The “condition” in the conditional forms is payment. That is, the waiver is effective under a conditional form only after payment is received. The waiver in an “unconditional” form is effective upon signing even if payment was not received. The forms are intended to be used in connection with a standard 30-day payment cycle and submitted with payment applications. Conditional waivers are provided for the work under the current application and final waivers for work covered by the prior payment application for which payment has been received. If the form does not fit the situation, the parties may modify the terms.

The statutory forms are:

- Conditional waiver and release upon progress payment. **Attachment D.**
- Unconditional waiver and release upon progress payment. **Attachment E.**
- Conditional waiver and release on final payment. **Attachment F.**
- Unconditional waiver and release on final payment. **Attachment G.**

I. Risks Encountered with Mechanic's Liens.

The process to properly perfect a mechanic's lien is complex making them subject to errors and mistakes. If the lien claimant is unsuccessful in litigation to enforce a lien, it may be required to pay the owner its attorneys' fees and court costs. A.R.S. § 33-998. A person who records or fails to release a notice of lien and knows or has a reason to know it is groundless, contains false information or is otherwise invalid may be liable to the owner for an amount not less than \$1,000 to \$5,000 or for three times the actual damages caused by the recording, plus reasonable legal fees and costs. A.R.S. § 33-420.

MILLER ACT - FEDERAL GOVERNMENT JOBS - 40 U.S.C. § 270(a) - (e).

A. Notice Required on Payment Bond.

1. Direct subcontractors of prime contractor: None
2. Materialmen or subcontractors with no direct contractual relationship with prime contractor:
 - (a) To surety: None on payment bond. .

(b) To prime contractor: Written notice within 90 days from date claimant last performed work or supplied material to the project. By registered mail, postage prepaid, to contractor at any place where he maintains his office or conducts business or his residence or in any manner in which a U.S. Marshall of the area in which the improvement is situated is authorized by law to serve summons. The notice must be in writing setting forth the party to whom material was furnished or work performed stating with substantial accuracy the amount due and informing the general that the claimant is looking to him for payment pursuant to statute governing payment bond provisions.

B. Suit.

Must be brought within one year from the date claimant last supplied labor or materials. No suit can be brought until after 90 days from the date claimant last supplied labor or materials. Suit must be brought in the name of the United States for the use of the person suing, in U.S. District Court for any district in which the contract was to be performed and executed. The defendants in the action on the bond include the prime contractor, or principal on the payment bond, and the surety on the bond.

III. PUBLIC CONSTRUCTION CONTRACTS IN ARIZONA - LITTLE MILLER ACT (A.R.S §§ 34-222 - 34-223) AND ARIZONA PROCUREMENT CODE (A.R.S. § 41-2574).

The Arizona Little Miller Act and Arizona Procurement Code are patterned after the Miller Act and require payment bonds in favor of persons working on and providing materials to public projects in Arizona. The payment bonds under these state acts contain notice requirements than differ from the federal Miller Act notice requirements, however.

A. Notices Required.

1. **Preliminary 20-day Notice.** Materialmen and subcontractors with no direct contractual relationship with prime contractor on the project must comply with the preliminary 20-day notice procedures of A.R.S. § 33-992.01. Claimants who have a direct contract with the prime contractor are not required to serve a preliminary 20-day notice. Claimants should make a practice of sending such notices even if they believe they have a direct contractual relationship with the prime contractor.

2. **90-day Notice.** All claimants must give written notice to the prime contractor on the project within 90 days from the date on which it performed the last of the labor or furnished the last of the material for which the claim is made. The notice must state with substantial accuracy the amount claimed and the name of the party to whom the material was furnished or for whom the work was performed. The notice must be sent via registered or certified mail addressed to the contractor at any place the contractor maintains an office or conducts business or at the contractor's residence. A.R.S. § 34-223(A). Notice to the surety is not required, but may be provided. The claimant should obtain a copy of the payment bond from the contracting officer for the governmental agency in order to confirm the identity of the prime contractor and the surety.

B. Suit.

Must be brought within one year from the date claimant last supplied labor or materials. No suit can be brought until after 90 days from the date claimant last supplied labor or materials. Suit must be filed in the claimant's own name. The defendants in the action on the bond include the prime contractor, or principal on the payment bond, and the surety on the bond.

Attachment A

ARIZONA PRELIMINARY TWENTY-DAY LIEN NOTICE

**IN ACCORDANCE WITH ARIZONA REVISED STATUTES SECTION
33-992.01, THIS IS NOT A LIEN. THIS IS NOT A REFLECTION ON THE
INTEGRITY OF ANY CONTRACTOR OR SUBCONTRACTOR**

The name and address of the owner or reputed
owner is:

This preliminary lien notice has been completed
by (name and address of Claimant):

Date:

By:

Address:

The name and address of the original contractor is:

You are hereby notified that the Claimant has
furnished or will furnish labor, professional
services, materials, machinery, fixtures or tools
of the following general description:

The name and address of any lender or reputed
lender and/or assigns is:

In the construction, alteration or repair of the
building, structure or improvement located at:

The name and address of the person with whom the
claimant has contracted is:

And situated upon that certain lot(s) or
parcel(s) of land in _____ County, Arizona,
described as follows:

An estimate of the total price of the labor,
professional services, materials, machinery,
fixtures or tools furnished or to be furnished is
\$_____.

NOTICE TO PROPERTY OWNER

If bills are not paid in full for the labor, professional services, materials, machinery, fixtures or tools furnished, or to be furnished, a mechanic's lien leading to the loss, through court foreclosure proceedings, of all or part of your property being improved may be placed against the property. You may wish to protect yourself against this consequence by either:

1. Requiring your contractor to furnish a conditional waiver and release pursuant to Arizona Revised Statutes Section 33-1008, Subsection D, Paragraphs 1 and 3 signed by the person or firm giving you this notice before you make payment to your contractor.
2. Requiring your contractor to furnish an unconditional waiver and release pursuant to Arizona Revised Statutes Section 33-1008, Subsection D, Paragraphs 2 and 4 signed by the person or firm giving you this notice after you make payment to your contractor.
3. Using any other method or device that is appropriate under the circumstances.

WITHIN TEN DAYS OF THE RECEIPT OF THIS PRELIMINARY TWENTY DAY NOTICE THE OWNER OR OTHER INTERESTED PARTY IS REQUIRED TO FURNISH ALL INFORMATION NECESSARY TO CORRECT ANY INACCURACIES IN THE NOTICE PURSUANT TO ARIZONA REVISED STATUTES SECTION 33-992.01, SUBSECTION I OR LOSE AS A DEFENSE ANY INACCURACY OF THAT INFORMATION.

WITHIN TEN DAYS OF THE RECEIPT OF THIS PRELIMINARY TWENTY DAY NOTICE IF ANY PAYMENT BOND HAS BEEN RECORDED IN COMPLIANCE WITH ARIZONA REVISED STATUTES SECTION 33-1003, THE OWNER MUST PROVIDE A COPY OF THE PAYMENT BOND INCLUDING THE NAME AND ADDRESS OF THE SURETY COMPANY AND BONDING AGENT PROVIDING THE PAYMENT BOND TO THE PERSON WHO HAS GIVEN THE PRELIMINARY TWENTY DAY NOTICE. IN THE EVENT THAT THE OWNER OR OTHER INTERESTED PARTY FAILS TO PROVIDE THE BOND INFORMATION WITHIN THAT TEN DAY PERIOD, THE CLAIMANT SHALL RETAIN LIEN RIGHTS TO THE EXTENT PRECLUDED OR PREJUDICED FROM ASSERTING A CLAIM AGAINST THE BOND AS A RESULT OF NOT TIMELY RECEIVING THE BOND INFORMATION.

DATED: _____
(Company Name)

By: _____
(Signature)

(Title)

ACKNOWLEDGEMENT OF RECEIPT OF PRELIMINARY TWENTY DAY NOTICE

This acknowledges receipt on _____ of a copy of the preliminary twenty day notice at date:

Date: _____

Attachment B

**AFFIDAVIT AND PROOF OF SERVICE
ARIZONA TWENTY DAY PRELIMINARY NOTICE**

_____, being first duly sworn upon his/her oath deposes and says:
THAT he/she is the (title) _____ of (company name) _____,
(address) _____, Phoenix, AZ 85_____.

That the Arizona Twenty Day Preliminary Notice as prescribed in A.R.S. 33-992.01 was served on _____, 2011 for the project located at:

THE MAILING WAS MADE BY CERTIFIED MAIL AND FIRST CLASS MAIL ON THE FOLLOWING PERSONS ON THE ABOVE REFERENCED DATE:

OWNER: NAME: _____
TITLE OR CAPACITY: _____
ADDRESS: _____

ORIGINAL CONTRACTOR: NAME: _____
TITLE OR CAPACITY: _____
ADDRESS: _____

PARTY WITH WHOM CLAIMANT CONTRACTED:
NAME: _____
TITLE OR CAPACITY: _____
ADDRESS: _____

The United States Postal Service receipt documenting service is attached hereto.

(Signature)

(Title and Company Name)

STATE OF ARIZONA)
) ss
COUNTY OF YAVAPAI)

This instrument was subscribed and sworn to before me this ____ day of _____, 2012
by (name of person signing) _____, acting in his capacity as (title) _____
for (company name) _____.

(Notary Seal)

Notary Public

Attachment C

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN THAT:

1. The undersigned is owner of the interest or estate stated below in the property hereinafter described, or the undersigned is the owner's agent, or the undersigned is the original contractor of the improvements to the real property hereinafter described.

2. The full name of the undersigned is _____.

3. The full address of the undersigned is _____.

4. The nature of the interest or estate of the owner is: In fee. *(if other than fee, strike "in fee" and insert, for example, "purchaser under contract of purchase" or "lessee.")*

5. The full names and full addresses of all persons, if any, who hold interest or estate with the undersigned such as joint tenants or tenants in common are:

NAME

ADDRESS

6. The full names and full addresses of the predecessors in interest of the undersigned, if the property was transferred after the beginning of the work or improvement:

NAME

ADDRESS

7. The nature of the improvements to the real property

_____.

8. The work or improvement on the property hereinafter described was completed in accordance with the definition of completion in Arizona Revised Statutes Section 33-993, Subsection C. *(Fill in the appropriate completion date as defined in Arizona Revised Statutes Section 33-993, Subsection C.)*

a) Date: _____

(Thirty Days After Written Final
Acceptance by Governmental Body)

b) Date: _____
(Sixty Days After Cessation of Labor)

9. The name of the original contractor, if any, for such work or improvement is _____
(If No Contractor, Insert "None")

10. The street address of the property is: _____
(Include Both Address And City With Zip Code)

11. The legal description of property described above: _____
(Attach Exhibit If Necessary)

VERIFICATION

I, the undersigned, certify that I am the owner, the owner's agent for the property or another interested party in the property, described in the above notice, or I certify that I am the original contractor of the improvements to the real property described in the above notice. I have read the foregoing notice and know and understand the contents thereof, and the facts stated therein are true and correct. I declare under penalty of perjury that the foregoing is true and correct.

EXECUTED on _____, 200_ at _____, Arizona
(Place Where Signed)

(Print Name)

(Personal Signature)

(Title)

SUBSCRIBED AND SWORN to before me this _____ day of _____, 200_.

Notary Public

My Commission Expires

IN ORDER TO SHORTEN THE LIEN PERIOD PURSUANT TO ARIZONA REVISED STATUTES SECTION 33-993, SUBSECTION A, A COPY OF THE NOTICE OF COMPLETION AND A WRITTEN STATEMENT OF THE DATE OF RECORDING AND THE COUNTY RECORDER'S RECORD LOCATION INFORMATION SHALL BE SERVED BY CERTIFIED OR REGISTERED MAIL, POSTAGE PREPAID, TO THE OWNER, THE ORIGINAL CONTRACTOR AND ALL PERSONS FROM WHOM THE PERSON RECORDING THIS NOTICE HAS PREVIOUSLY RECEIVED A PRELIMINARY TWENTY DAY NOTICE AS PRESCRIBED BY ARIZONA REVISED STATUTES SECTION 33-993, SUBSECTION I.

NOTICE: RECEIPT OF A NOTICE OF COMPLETION MAY ALTER THE TIME YOU HAVE TO IMPRESS AND SECURE A LIEN IN ACCORDANCE WITH ARIZONA REVISED STATUTES SECTION 33-993, SUBSECTION A.

Attachment D

CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

(Pursuant to A.R.S. § 33-1008)

Project:

Job No.:

On receipt by the undersigned of a check from _____ in the sum of \$_____ payable to _____ and when the check has been properly endorsed and has been paid by the bank on which it is drawn, this document becomes effective to release any mechanic's lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the job of _____ located at _____ to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to the jobsite or to _____ through _____ only and does not cover any retention, pending modifications and changes or items furnished after that date. Before any recipient of this document relies on it, that person should verify evidence of payment to the undersigned.

The undersigned warrants that he either has already paid or will use the monies he receives from this progress payment to promptly pay in full all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or services provided for or to the above referenced project up to the date of this waiver.

DATE: _____

(Company Name)

By: _____

(Signature)

(Title)

Attachment E

UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

(Pursuant to A.R.S. § 33-1008)

Project:

Job No.:

The undersigned has been paid and has received a progress payment in the sum of \$ _____ for all labor, services, equipment or material furnished to the jobsite or to _____ on the job of _____ located at _____ and does hereby release any mechanic's lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to the jobsite or to _____ through _____ only and does not cover any retention, pending modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from this progress payment to promptly pay in full all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or services provided for or to the above referenced project up to the date of this waiver.

DATE: _____

(Company Name)

By: _____

(Signature)

(Title)

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

Attachment F

CONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT

(Pursuant to A.R.S. § 33-1008)

Project:

Job No.: _

On receipt by the undersigned of a check from _____ in the sum of payable to _____ and when the check has been properly endorsed and has been paid by the bank on which it is drawn, this document becomes effective to release any mechanic's lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position, the undersigned has on the job of _____ located at _____.

This release covers the final payment to the undersigned for all labor, services, equipment or materials furnished to the jobsite or to _____, except for disputed claims in the amount of \$_____. Before any recipient of this document relies on it, the person should verify evidence of payment to the undersigned.

The undersigned warrants that he either has already paid or will use the monies he receives from this final payment to promptly pay in full all his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or services provided for or to the above referenced project up the date of this waiver.

DATE: _____

(*Company Name*)

By: _____

(*Signature*)

(*Title*)

Attachment G

UNCONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT

(Pursuant to A.R.S. § 33-1008)

Project: _____

Job No.: _____

The undersigned has been paid in full for all labor, services, equipment or material furnished to the jobsite or to _____ on the job of _____ located at _____ and does hereby waive and release any right to mechanic's lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position, except for disputed claims for extra work in the amount of \$ _____.

The undersigned warrants that he either has already paid or will use the monies he receives from this final payment to promptly pay in full all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or services provided for or to the above-referenced project.

DATE: _____

(Company Name)

By: _____
(Signature)

(Title)

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.