The mechanic’s lien statute attempts to create a reasonable compromise between two competing principles. On the one hand, contractors, subcontractors and suppliers who provide labor and material to a property owner should be compensated for the assistance they provide. On the other hand, a property owner who has already paid a contractor for labor and material, should not have to pay twice for the same goods and services.

In order to balance these two competing interests, the mechanic’s lien statute contains protections for both the suppliers of labor and materials and the property owners. The Minnesota Mechanic’s Lien Law generally is contained in Chapter 514 of the Minnesota Statutes. This discussion of mechanic’s lien law will start first with two lists of issues -- one for claimants and one for those against whom claims are made. Then, a full discussion of mechanic’s lien law follows.

List of Issues to Be Addressed by Claimant Seeking to Enforce Mechanic’s Lien

1. Confirm that property is owned by the defendant;
2. Confirm that the property has been improved;
3. Establish the dates of the first item of work and the last item of work;
4. Be sure the labor, skill or material supplied by the lien claimant was for the improvement of the property and not just a repair;
5. Confirm that the prelien notice, if required, was given;
6. Be sure that a mechanic’s lien statement was served and filed in accordance with the statutory requirements;
7. A foreclosure lawsuit on the lien must be commenced within one year from the last item of work;
8. Confirm the amount of the lien (through proof of contract price or reasonable value);
9. Show the amount of lien claimant’s costs, disbursements and attorney’s fees; and
10. If appropriate, demonstrate that the lien is prior to any mortgage (first visible improvement of any mechanic lien claimant in your claimant’s project precedes date mortgage was recorded).

List of Issues to Be Addressed by Person Defending Against a Mechanic’s Lien

1. Determine if there is a lienable improvement to the property;
2. Check to see if there was a failure to give the prelien notice (if required);
3. See if the owner’s payment to the general contractor was prior to receipt of prelien notice from subcontractor;
4. Determine if the lien statement was timely served;
5.  Check for an intentional overstatement of the lien amount in the lien statement;
6.  Look for a failure to commence a foreclosure lawsuit on the lien within one year from the lien claimant’s last item of work;
7.  Check to see if the property is public property and not subject to being liened;
8.  Determine if lien rights were waived by the lien claimant;
9.  Determine if the property was “posted” pursuant to Minn. Stat. § 514.06 if needed;
10. Check to see if the lien claimant was paid in full or owner has right of setoff for defective work;
11. Ask if the lien has been satisfied, removed or released; and
12. Determine if there was a failure generally to comply with the requirements of Minn. Stat. § 514.01-514.17.
TABLE OF CONTENTS

A. Generally .................................................................................................................................................. 2

B. The Pre-Lien Notice .................................................................................................................................... 2
  1. Contractor’s Notice ............................................................................................................................... 2
  2. Subcontractor’s Notice .......................................................................................................................... 3
  3. Exceptions to the Notice Requirement ............................................................................................... 4

C. Property and Work Subject to Mechanic’s Liens .................................................................................... 4

D. Protections for Owners ............................................................................................................................. 4

E. The Requirement of Serving and Filing the Mechanic’s Lien Statement .................................................. 5
  1. Information that Must be in the Statement ............................................................................................ 5
  2. Service of and Filing the Statement ..................................................................................................... 7
  3. Definition of “Date of Last Item of Contribution” .............................................................................. 7

F. Priority of a Mechanic’s Lien ................................................................................................................... 7

G. Commencement of a Lawsuit Within One year from Last Item of Work ............................................... 8

APPENDIX

EXHIBIT A GENERAL CONTRACTOR PRE-LIEN NOTICE

EXHIBIT B SUBCONTRACTOR’S PRE-LIEN NOTICE

EXHIBIT C MECHANIC’S LIEN STATEMENT
A. Generally

As part of the balance between the competing interests, the mechanic’s lien arises automatically, but is only enforceable if, within prescribed time frames, the labor or material supplier provides a pre-lien notice to the land owner (if required), serves and files the mechanic’s lien statement, and then commences a lawsuit to enforce the lien.

B. The Pre-Lien Notice

In order to put landowners on notice that they may face the risk of a mechanic’s lien in small construction projects (see exceptions in 514.011, Subd. 4), the legislature has made the “pre-lien notice” a prerequisite to a mechanic’s lien claim.

1. Contractor’s Notice

A contractor that uses subcontractors or suppliers on a smaller project must provide a pre-lien notice. Minn. Stat. § 514.011, Subd. 1, which reads as follows:

(a) Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions.

(b) Under Minnesota law, you have the right to pay persons who supplied labor or materials for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by person who supplied any labor or material for the improvement and who gave you timely notice.

(See Exhibit A). The notice by a contractor must strictly comply with the notice requirements. *Niewind v. Carlson*, 628 N.W.2d 649 (Minn. Ct. App. 2001). In the case of a subcontractor, less strict compliance with the notice requirement is demanded. Minn. Stat. § 514.011, Subd. 2(b).

The notice should be in the written contract with the owner, or if there is no written contract, should be personally delivered or delivered by certified mail to the owner or the owners’ authorized agent within ten days after the work of improvement is agreed upon. Notice is to be given to the “owner,” which is defined in Minn. Stat. § 514.011, Subd. 5.

Notice is not required for larger projects and in three exceptional situations where the contractor and the owner are closely related. See Minn. Stat. § 514.011, Subd. 4. Persons with an interest in the property are not entitled to the notice unless their ownership interest is actually known to the mechanic’s lien claimant. See, e.g., *Custom Design Studio v. Chloe, Inc.*, 584 N.W.2d 430 (Minn. Ct. App. 1998).
2. **Subcontractor’s Notice**

Subcontractors must give a pre-lien notice as well on smaller projects (see exceptions in 514.011, Subd. 4). That pre-lien notice by subcontractors and suppliers must be given by personal delivery or certified mail to the owner not later than 45 days after the lien claimant has first furnished labor, skill or materials for the improvement. The purpose of the pre-lien notice is to provide notice to an owner that a subcontractor is on site or providing materials to a construction site. *Emison v. J. Paul Sterns Co.*, 488 N.W.2d 336 (Minn. Ct. App. 1992). The statute on this point provides as follows:

**Subd. 2. Subcontractor to give notice.** (a) Every person who contributes to the improvement of real property so as to be entitled to a lien pursuant to section 514.01, except a party under direct contract with the owner must, as a necessary prerequisite to the validity of any claim or lien, cause to be given to the owner or the owner’s authorized agent, either by personal delivery or by certified mail, not later than 45 days after the lien claimant has first furnished labor, skill or materials for the improvement, a written notice in at least 10-point bold type, if printed, or in capital letters, if typewritten, which shall state:

“This notice is to advise you of your rights under Minnesota law in connection with the improvement to your property.

Any person or company supplying labor or materials for this improvement may file a lien against your property if that person or company is not paid for the contributions.

We ………………………… (name and address of subcontractor) have been hired by your contractor ………………………… (name of your contractor) to provide ………………………… (type of service) or ………………………… (material) for this improvement. To the best of our knowledge, we estimate our charges will be ………………………… (value of service or material).

If we are not paid by your contractor, we can file a claim against your property for the price of our services.

You have the right to pay us directly and deduct this amount from the contract price, or withhold the amount due us from your contractor until 120 days after completion of the improvement unless your contractor gives you a lien waiver signed by me (us).

We may not file a lien if you paid your contractor in full before receiving this notice.

Minn. Stat. § 514.011, Subd. 2. (See Exhibit B). Since the subcontractor is not directly contracting with the owner, the subcontractor has less basis to know the identity of the owner. Therefore the statute allows subcontractors and material suppliers to ask the contractor to
provide them with the name and address of the owner. The contractor must respond to such a request within ten days or be liable to the subcontractor/supplier for any actual damages sustained or expenses incurred because of the contractor’s failure to provide the information plus reasonable attorneys’ fees and costs. Minn. Stat. § 514.011, Subd. 3.

3. Exceptions to the Notice Requirement

No pre-lien notice is required when the ownership of the contractor and the ownership of the land is substantially the same. Similarly, no pre-lien notice is required if the improvement to real property is in connection with a residential dwelling of more than four family units. Minn. Stat. § 514.011, Subd. 4(b). Finally, no pre-lien notice is necessary if the improvement is on non-agricultural and non-residential real estate and is in excess (a) of 5,000 total usable square feet of floor space or (b) improves real property of more than 5,000 usable square feet of floor space; or (c) is an improvement to real property in excess of 5,000 square feet not involving the construction of a new building or an addition to or improvement of an existing building. Minn. Stat. § 514.011, Subd. 4(c).

C. Property and Work Subject to Mechanic’s Liens

The property subject to mechanic’s liens is basically all non-public real property. Lien rights may extend to multiple lots. See Minn. Stat. § 514.09. With respect to condominiums and townhomes, before the first unit is conveyed a lien may attach to the entire property under a single filing. Thereafter, each unit is subject to a mechanic’s lien for its proportionate share of improvements authorized by the condominium association, manager, or board of directors. Minn. Stat. § 514.09, Subd. 1. Utilities, fixtures, leasehold interests and lessor’s interests in property are all lienable.

The work covered by a mechanic’s lien is broad. See Minn. Stat. § 514.011. As one court stated, an improvement to real property is a “permanent addition to or betterment of real property that enhances its capital value…” Kloster-Madsen, Inc. v. Tafi’s Inc., 226 N.W.2d 603, 607 (Minn. 1975). The work need not be visible, as architects, engineers and surveyors have lien rights. In addition, suppliers who provide materials and labor in good faith to an improvement are covered by the lien even if the material and labor is never used.

On the other hand, the mechanic’s lien statute covers “improvements” to real property, but not mere repairs. See, e.g., Hartford Fire Insurance Company v. Westinghouse Electric Corporation, 450 N.W.2d 183 (Minn. Ct. App. 1990).

In addition, a tenant’s improvement to land may subject the lessor to a mechanic’s lien if the lessor has actual knowledge of the improvement and does not disclaim responsibility for the improvement pursuant to Minn. Stat. § 514.06. That statute says that within five days of becoming aware of the improvement, the landlord must post or provide notice that the improvement is not being made at the landlord’s request.

D. Protections for Owners

Failure by contractors to pay subcontractors, especially when the contractor has been paid by the owner, leads directly to various protections in the mechanic’s lien statutes. For example,
contractors are subject to criminal and civil penalties for their nonpayment. *See* Minn. Stat. § 514.02, Subd. 1(a).

In addition, the owner has the right to withhold payment from the contractor initially under Minn. Stat. § 514.07. The owner may withhold “as much of the contract price as may be necessary to meet the demands of all persons, other than the contractor, having a lien upon the property and for which the contractor is liable.” Minn. Stat. § 514.07. Similarly, the property owner can pay subcontractors directly to obtain discharge of their liens and deduct the payments from the amount the owner owes to the contractor. The owner also has the right to request a verified lien statement. Minn. Stat. § 514.07.

Another significant protection for owners is their right to obtain lien waivers. A valid lien waiver precludes the assertion of a mechanic’s lien. A property owner is entitled to protect himself from liens against his property by requiring lien waivers before paying the contractor. *See* McLelland v. Hamernick, 118 N.W.2d 791, 794 (Minn. 1962). For property owners, the purpose of a lien waiver is not so much to prove that a contractor has paid its bills, but to protect the owner from the liens that have been filed on the property.

Lien waivers may be partial or complete. For example, a lien waiver may waive all claims to a mechanic’s lien up to the date of the waiver. That waiver would not prevent a lien for work done subsequent to the date of the lien waiver. *See* Engler Brothers Construction Company v. L’Allier, 159 N.W.2d 183, 186 (Minn. 1968).

An owner can also obtain protection through a payment bond.

**E. The Requirement of Serving and Filing the Mechanic’s Lien Statement**

A mechanic’s lien arises automatically as a matter of law from the time the first item of material or labor is furnished by any laborer or materialman to the improvement. Minn. Stat. § 514.05, Subd. 1. An individual mechanic’s lien, however, will cease to exist at the end of 120 days after the last contribution of labor or material unless, within this 120-day period, the claimant serves and files a statement of the mechanic’s lien.

1. **Information that Must be in the Statement**

   To be effective, a statement of a mechanic’s lien must contain the correct information, and then be served or filed correctly. Minnesota courts strictly construe the mechanic’s lien statute in this regard. *Dolder v. Griffin*, 323 N.W.2d 773, 779-80 (Minn. 1982). Only after a lien is properly created to do the courts “liberally construe” the mechanic’s lien statute to effectuate its remedial purpose. *Twin City Pipe Trades Serv. Ass’n v. Peak Mech., Inc.*, 689 N.W.2d 549 (Minn. Ct. App. 2004)

   Minn. Stat. § 514.08, Subd. 2 sets forth eleven specific requirements for the mechanic’s lien statement which must be met by a mechanic’s lien claimant. (See Exhibit C). Those requirements are as follows:

   1. Must identify the claimant and the capacity of the person whose signature appears on the statement.
The statement must be verified by oath.

Notice of intent to claim a lien and amount of the claim must appear in the statement. According to Minn. Stat. § 514.74: “In no case shall a lien exist for a greater amount than the sum claimed in the lien statement, nor for any amount, if it be made to appear that the claimant has knowingly demanded in the statement more that is justly due.” As this statute indicates, you cannot ultimately seek a lien for an amount greater than is set forth in your statement, and you can lose your entire lien if you overstate your lien.

On the latter point, if a reasonable explanation for the overstatement of the lien amount is supplied and believed, the lien may be preserved, but only to the extent of the corrected amount. Cox v. First National Bank of Aitkin, 415 N.W. 385 (Minn. Ct. App. 1987). When the amount claimed is grossly overstated, an intent to overstate the amount of the claim is often inferred. See Delyea v. Turner, 118 N.W.2d 436 (Minn. 1962). To deprive the claimant of the lien under the statute, there must be a showing of fraud, bad faith, or an intentional demand for an amount in excess of that due. Id.

Claims greater than the contract price may be allowed, provided there have been changes in the work required. See, e.g., R.B. Thompson, Jr. Lumber Company v. Windsor Development Corp., 383 N.W.2d 357 (Minn. Ct. App. 1986).

According to Minn. Stat. § 514.03, Subd. 1, the amount of the lien shall either be the contract amount, or in all other cases, the reasonable value of the work done.

The basis of the lien and a description of the improvement must be in the statement. The statement must include an allegation that the amount claimed is due and owing for labor performed or for skill, material, or machinery furnished for a specific described improvement.

The names of the claimant and of the recipient of the claimant’s contribution.

The dates of the first and last items of contribution by the claimant. The first item of contribution date can be critical in determining the priority of the claimant’s lien. The date of last item of contribution is important to establish the compliance with the 120-day rule whereby the statement must be properly prepared, served and filed within 120 days of the last contribution. The date of last contribution is also important to the one year time period for foreclosing a mechanic’s lien specified in Minn. Stat. § 514.12, Subd. 3.

Description of the premises in a mechanic’s lien statement must contain a statement identifying with reasonable certainty the premises upon which the work was done.

The name of the owner.

The claimant’s post office address.
The claimant’s acknowledgement. The state requires the claimant to acknowledge in the statement that a copy must be served personally or by certified mail within the 120-day period provided.

Pre-lien notice. The statement must contain a positive assertion that the pre-lien notice required by Minn. Stat. § 514.011, Subd. 2 was given.

Note that if a claimant works on two adjoining buildings or two adjoining tracts of land, one lien statement may be sufficient. But see, Sunrise Electric, Inc. v. Zachman Homes, Inc., 425 N.W.2d 848 (Minn. Ct. App. 1988).

2. Service of and Filing the Statement

The mechanic’s lien statement under Minn. Stat. § 514.08, Subd. 1(2), must be served personally or by certified mail on the owner or the owner’s authorized agent or the person who entered into the contract with the contractor within 120 days after the last day of work. Note that first class mail is not sufficient. Service by certified mail of the lien statement is effective upon mailing. Eischen Cabinet Co. v. Hildebrandt, 683 N.W.2d 813 (Minn. 2004). A lien statement may be served personally by a party.

The lien statement also must be filed under Minn. Stat. § 514.08, Subd. 1(1) with the county recorder or the registrar of titles of the county in which the improved premises are located within 120 days after the last date of work. Or, if the claim is made under Section 514.04, with the Secretary of State. Otherwise, the lien is lost.

3. Definition of “Date of Last Item of Contribution”

The date of last improvement is a significant date as the lien statement must be filed and served within 120 days of that date. There has been Minnesota litigation on what constitutes the last date. If the work is de minimis and done for the sole purpose of extending the time for filing a lien, it is insufficient to revive the lien. Kahlie v. McCleary, 96 N.W.2d 243 (1959).

F. Priority of a Mechanic’s Lien

With respect to priority of a mechanic’s lien, the question is when there was an actual visible beginning on the improvement on the ground. Minn. Stat. § 514.05. In order for a mechanic’s lien to have priority over a mortgage duly recorded, the actual visible beginning must precede the recording of the mortgage. Rueben E. Johnson Co. v. Phelps, 156 N.W.2d 247 (Minn. 1968). The issue is one of fact and the claimant has the burden of proof on it.

This statute expressly states that visible staking, engineering, land surveying and soil testing services shall not constitute the actual and visible beginning of the improvement on the ground. Minn. Stat. § 514.05, Subd. 2. The actual visible improvement must be with respect to a permanent addition rather than ordinary repairs.

Where the mortgagee has actual notice of off-site work performed by an engineer or surveyor before the mortgage was executed, the mechanic’s lien of the engineer or the surveyor shall be prior and superior to the mortgage, but the mechanic’s lien of a claimant who is not an
engineer or surveyor does not attach until the actual beginning of the improvement on the
App. 1993).

In general, all mechanic’s liens arising out of the same improvement are coordinate and
of equal standing. All mechanic’s liens attach on the day of the actual and visible beginning of
the first improvement on the ground, regardless of who made the improvement. *Glass v.
Freeburg*, 52 N.W. 900 (Minn. 1892).

Priority can also be established by claimant if the claimant files a memorandum of its
contract before the mortgage is recorded. Minn. Stat. § 514.05, Subd. 1.

**G. Commencement of a Lawsuit Within One year from Last Item of Work**

Under Minn. Stat. § 514.12, Subd. 3, a mechanic’s lien must be filed as part of a
complaint or answer within one year after the date of the last item of the claim as set forth in the
recorded lien statement. Both filing and service must be made within the one year period. *AAA
Electric and Neon Service Inc. v. R-Design Co.*, 364 N.W.2d 869 (Minn. Ct. App. 1985); Minn.
Stat. § 514.11. Under Minn. Stat. § 514.12, the claimant is to file a notice of *lis pendens*.

The mechanic’s lien foreclosure action should include as parties all persons who have an
interest, or claim to have an interest, in the subject property, including all owners, lien claimants,
mortgagees, and all other encumbrancers. If not named, they are not bound. *Thompson Yards,

Commencing foreclosure of a mechanic’s lien can occur with the claimant as a plaintiff,
with the claimant as a defendant who has been named in the action, or as an intervenor in a case
where the defendant has been excluded. A plaintiff filing a mechanic’s lien needs to draft a
complaint which identifies the parties, restates the basic allegations in the mechanic’s lien
statement, prays for a recovery of money and attorneys fees and asks the court to adjudge that the
amount, validity and priority of the lien and that the subject property be sold and the proceeds be
used to satisfy the lien. Both the summons and the complaint must be filed with the district court
administrator before the summons is served, or the service is ineffective. *Miles Construction Co.
v. Creamery*, 133 N.W.2d 361 (1965). The summons must contain the following information
under Minn. Stat. § 514.11:

a. a statement that the complaint has been filed with the court administrator
   and that the summons is of no effect unless such complaint was in fact so
   filed;

b. a notice that this is an action to foreclose a lien;

c. the amount of the lien;

d. a brief description of the premises affected;

e. a brief description of the improvement out of which the lien arises; and
f. a statement that each defendant is required to file an answer to the complaint with the court administrator within 20 days after service on the defendant.

If the lien claimant is named as a defendant in an action commenced by another lien claimant to foreclose a lien or by an owner, the claimant must assert its lien in an answer to the complaint which must be filed with the district court administrator within 20 days of the service of the summons upon the lien claimant or within one year from the date of the lien claimant’s last item of work, whichever occurs first. The answer must be filed with the district court administrator. If the plaintiff has not joined all encumbrancers of the property, the answering lien claimant should join those parties to the proceeding. Similarly, if the notice of *lis pendens* was not filed by the plaintiff, the answering lien claimant should file its own notice of *lis pendens*.

In a situation in which an action is pending which involves other liens on the property and the lien claimant has not been named, the lien claimant must intervene in the action. The lien claimant should file an answer just as if it were a named defendant.

Once a lien claimant files an action, an owner or other person having interest in or a lien upon the property must take action in the district court for the removal, release or defense of a mechanics lien. Minn. Stat. § 514.10 provides the authority to make application to the court to have the property released from the lien. The applicant must give ten days’ notice to the lien claimant of the applicant’s intention to apply for a release of the lien, including the time and place of the hearing. When the court hears the application, it will set a dollar amount which must be paid into court as a deposit to cover the lien. Once the deposit has been made in accordance with the court order, the lien is released from the property.

Some construction contacts may provide for arbitration. Despite the provision for arbitration, a mechanic’s lien claimant must commence a district court action within one year from the date of his last item of labor, skill or material. In that way, participation in the arbitration can subsequently occur without losing the mechanic’s lien. The award in arbitration should expressly state that the claimant has a lien upon the premises.

Attorneys fees may be awarded to a successful lien claimant under Minn. Stat. § 514.14.
EXHIBIT A

GENERAL CONTRACTOR PRE-LIEN NOTICE

The following notice is required to be given to you by us under Minnesota law in order for us to preserve certain of our rights in connection with our providing labor and/or materials toward the improvement of your property. This notice in no way reflects upon your integrity or that we have any concerns regarding receipt of payment for our services. **This notice is simply required by law. This notice is to advise you of your rights under Minnesota law in connection with the improvement to your property.**

**NOTICE**

(A) ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS.

(B) UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY THE PERSONS WHO SUPPLIED ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.
EXHIBIT B

SUBCONTRACTOR’S PRE-LIEN NOTICE

The following notice is required to be given to you by us under Minnesota law in order for us to preserve our rights in connection with our providing labor and/or materials toward the improvement of your property. This notice in no way reflects upon your integrity or that of your contractor or that we have any concerns regarding receipt of payment for our services. This notice is simply required by law.

NOTICE

THIS NOTICE IS TO ADVISE YOU OF YOUR RIGHTS UNDER MINNESOTA LAW IN CONNECTION WITH THE IMPROVEMENT TO YOUR PROPERTY.

ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS.

WE, [FULL NAME] HAVE BEEN HIRED BY YOUR CONTRACTOR, [FULL NAME], TO PROVIDE LABOR AND MATERIALS FOR THE [DESCRIPTION] AT THE FOLLOWING ADDRESS: [CITY, STATE, ZIP], FOR THIS IMPROVEMENT. TO THE BEST OF OUR KNOWLEDGE, WE ESTIMATE OUR CHARGES WILL BE______________________.

IF WE ARE NOT PAID BY YOUR CONTRACTOR, WE CAN FILE A CLAIM AGAINST YOUR PROPERTY FOR THE PRICE OF OUR SERVICES.

YOU HAVE THE RIGHT TO PAY US DIRECTLY AND DEDUCT THIS AMOUNT FROM THE CONTRACT PRICE, OR WITHHOLD THE AMOUNT DUE US FROM YOUR CONTRACTOR UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS YOUR CONTRACTOR GIVES YOU A LIEN WAIVER SIGNED BY US.

WE MAY NOT FILE A LIEN IF YOU PAID YOUR CONTRACTOR IN FULL BEFORE RECEIVING THIS NOTICE.
EXHIBIT C

MECHANIC'S LIEN STATEMENT

Date:_________________, 2007

The undersigned hereby gives notice to the public and states as follows:

1. I am acting at the instance of the lien claimant, _____________________________, a ____________________________ organized under the laws of the State of Minnesota, as its ____________________________.

2. The lien claimant hereby gives notice of intention to claim and hold a lien upon the land in ______________ County, Minnesota, described as follows:

3. The name and mailing address (and license number, if applicable) of the lien claimant is:

________________________________

________________________________

________________________________

4. The amount of the lien claimed is $_____________________ plus interest, and is due and owing to the lien claimant for labor performed or skill, material, or machinery furnished to the land.

5. The lien claimant did or supplied the following: _____________________________ at [address].

6. The lien claimant's contribution to the improvement was performed or furnished from July 24, 2006 to January 9, 2007, for or to the following person(s):

   [name and address]

7. The name of the present owner of the land according to the best information lien claimant now has is:

   [name and address]

8. The lien claimant acknowledges that a copy of this statement must be served personally or by certified mail on the owner, the authorized agent of the owner, or the person who entered into the contract with the lien claimant within 120 days of doing the last work or furnishing the last item of such skill, material, or machinery.
9. Notice as required by Minnesota Statutes Section 514.011, subd. 2, if any, was given.

STATE OF MINNESOTA )
COUNTY OF ___________ )

_____________________, being duly sworn, on oath says that I am the ________________________ of the lien claimant in the within statement, and have knowledge of the facts stated in this statement. This statement is made at the instance of said lien claimant and is true of my own knowledge.

Subscribed and sworn to before me this ____ day of ___________, 2007.

____________________________
Notary Public

THIS INSTRUMENT WAS DRAFTED BY: