

## SUMMARY OF STEPS NECESSARY TO PERFECT A CONSTRUCTION LIEN IN OREGON

### USE THIS INFORMATION WITH CAUTION

**This summary contains general information only, and must not be construed as legal advice, or take the place of competent legal counsel. Its purpose is to provide general -- not specific -- information on **SOME** -- but not all -- of the steps and precautions that must be taken, so that your claim of lien may be valid and may be enforced, if necessary. The Oregon Construction Lien Law is complicated, and your procedures and follow-through on the preparation of **any** lien should be checked by an attorney. Also, the history of the construction lien statutes suggests that they are amended on a regular basis by the Oregon Legislature and, as such, the general information contained in this summary may be dated. Again, you should seek the advice of legal counsel for specific situations and advice as to the "then existing" status of the law. This does not address liens for design professionals. In addition, **all contractors should make sure that they are licensed with Oregon Construction Contractors Board.****

### 1. Pre-claim Issues

When	Who	Action Required
Before performing work	All original contractors who perform work for the owner of a "residential structure" or "zero-lot-line dwelling" if the aggregate contract price exceeds \$2,000 (If original contract does not exceed \$2,000 but subsequent negotiations result in contract being amended to exceed \$2,000, original contractor must then deliver written contract)	Have a written contract required by ORS 87.037 (2007) (effective 1/1/08). See also ORS 701.305 (written contract requirement and standard contractual terms); ORS 701.005 (definition of "residential structure" or "zero-lot-line dwelling"); OAR 812-012-0110 (terms of written contract) (effective 4/28/10).
Either at the time of contracting for the project <u>or</u> at the time of first delivery of labor, materials or equipment to the project site, <b>whichever is earlier</b>	All subcontractors or persons that provide labor, materials or equipment to a contractor for a project to "renovate, remodel, repair or otherwise alter an existing owner-occupied residence"	Check CCB license status of the contractor the work is provided to on the Construction Contractors Board (CCB) website: <a href="http://www.ccb.state.or.us">www.ccb.state.or.us</a> , print out the page showing the contractor's license status and keep a copy in your job file (effective 1/1/11). See HB 3689.
On date Contract is signed (or within 5 days of exceeding contract threshold price)	All original contractors engaged in residential construction where the aggregate contract price exceeds \$2,000. (If original contract price does not exceed \$2,000, but subsequent negotiations result in contract being amended to exceed \$2,000, original contractor must then send notice within 5 days)	Provide Information Notice to Owner to all owners (ORS 87.093)
Within 8 business days of first delivery of material or performance of labor	All original contractors, subcontractors, and suppliers who are required to give this notice	Provide Notice of Right to a Lien to all owners and mortgagees (ORS 87.021 and 87.025)

Within 15 business days after receipt of written demand from owner or mortgagee (for demands received <b>before</b> Claim of Lien is recorded)	All original contractors, subcontractors, and suppliers	Send to owner or mortgagee a list of materials or labor, etc. with statement of charges and unpaid balance (ORS 87.025 and 87.027)
<b>2. The Claim</b>		
<b>When</b>	<b>Who</b>	<b>Action Required</b>
Within 75 calendar days after last substantial performance of labor, delivery of materials, or rental of equipment or 75 days after completion of construction whichever is <b>earlier</b>	All original contractors subcontractors, and suppliers	Record Claim of Lien in the county where the real property/ improvement is located (ORS 87.035)
<b>3. Post-claim Notice</b>		
<b>When</b>	<b>Who</b>	<b>Action Required</b>
Within 20 calendar days after the lien is recorded	All original contractors, subcontractors, and suppliers who have recorded a Claim of Lien	Provide a Notice of Filing Claim of Lien to all owners and mortgagees with a copy of recorded Claim of Lien attached (ORS 87.039)
Within 5 calendar days after receipt of written demand from owner (for demands received <b>after</b> Claim of Lien is recorded)	All original contractors subcontractors, and suppliers who have recorded Claim of Lien	Provide to owner a list of materials, labor, and/or rental equipment with statement of charges and unpaid balance (ORS 87.057)
Not less than 10 calendar days before filing suit to foreclose Claim of Lien	All original contractors subcontractors, and suppliers who have recorded Claim of Lien	Provide Notice of Intent to Foreclose Claim of Lien to all owners & mortgagees (ORS 87.057)
<b>4. The Action</b>		
<b>When</b>	<b>Who</b>	<b>Action Required</b>
Within 120 calendar days after Claim of Lien is recorded	All original contractors subcontractors, and suppliers who have recorded Claim of Lien	File suit to foreclose lien (ORS 87.055)