

zlien

Beginner's Guide

To Preliminary Notices

1. What and Why?

Let's start by covering what we are talking about and why.

Nomenclature

It is important for Beginners to understand the terminology of preliminary notices. Different states have different names for these documents: Notice to Owner, Notice of Furnishing, Fund Trapping Notice, Preliminary Notice. Some people will call these documents pre-lien notices. To keep things simple, we at *zlien* group these notices under the umbrella of "Preliminary Notice," which we define as follows:

A preliminary notice is a notice that one sends in relation to the time that he or she begins work on a construction project, in order to protect mechanics lien rights and inform others of involvement on the project. Notice deadlines range from the day one begins work, to months afterwards.

Why Send Preliminary Notices?

- 1.** To preserve your mechanics lien rights. Think of a preliminary notice as insurance - you send the notice so that, if you have payment issues later on, you have recourse to recover the money you're owed. 37 states will invalidate a mechanics lien if preliminary notice was not sent. Satisfying your notice requirement ensures that the lien is available to you when you need it.
- 2.** To get paid faster. Sending notice makes your invoice a priority to paying parties. *zlien* customers have reduced payment time by up to 38 days by sending preliminary notices. Sending notice has also helped customers decrease their amount of debt outstanding after 90 days from 21% to 7%. That's a 66% decrease.
- 3.** To strengthen relationships. Preliminary notice requirements were created for the benefit of general contractors and property owners. Notices help project leaders avoid a lien by informing them of who is working on the project. This also enables GCs and owners to intervene and help resolve payment disputes.

2. Deadlines

Do You Need to Send a Notice?

Are you required to send a preliminary notice in order to preserve your right to file a mechanics lien?
IT DEPENDS ON FOUR THINGS, GENERALLY:

1. Which state is the project located in?
2. What is your role on the project?
3. What is the role of the party that hired you?
4. What type of project is it?

While contract amount and other factors sometimes enter into the equation, the factors listed in the four bullets above primarily drive notice requirements. Office Managers should also be on the lookout for notice filings from other parties on your projects. Those will sometimes prompt the need for you to send a notice.

Finding Your Deadline

This guide would run the length of Tolstoy's *War and Peace* if I were to list out deadlines for every contractor and supplier's scenario. Luckily, *zlien's Lien Genome* has compiled notice deadlines for every project role in every state. This makes it easy for Office Managers representing prime or sub-contractors, or material suppliers, or any other type of firm to find the right deadline.

Your notice deadline is easy to find. Here's how

1

Visit
zlien.com/resources

2

Select the state in which your
project is located

3

Find your project role within
the left column of the chart

Note that your notice deadline can apply to the mailing date or the delivery date of the notice. To see which date applies, scroll down to the section titled, Is the [state] Preliminary Notice Requirement Met When Sent or Delivered?

Did you know? Office managers LOVE *zlien* because we can find notice deadlines for you. We'll research and send your notice too. No more searching websites, no more research, no more busy work or headaches.

[Click here to start sending notices for free.](#)

3. Research

Legal Description of Property: What is it?

Many states require that preliminary notices (and mechanics liens) include a legal property description. The **Department of Interior** defines a legal description of property as:

A written statement recognized by law as to the definite location of a tract of land by reference to a survey, recorded map or adjoining property.

A legal description can include any of the following: Assessor's Parcel Number (APN); Lot & Block; Township-Section-Range; Deed Book and Page Number; and more.

Do I need to Include the Legal Property Description?

The information required on your notice varies from county-to-county. For example, many counties in California only require the parcel number, while several counties in Michigan ask for the Deed Book and Page Number. Other counties clearly identify what the legal description is, as follows:

OWNER AND PROPERTY INFORMATION

Owner Name & Mailing Address:	COSMOS FOUNDATION INC DBA HARMONY SCIENCE ACADEMY 9431 W SAM HOUSTON PKWY S HOUSTON TX 77099-1849	Legal Description:	LTS 1 THRU 5 BLK 10 MARILYN ESTATES SEC 5
		Property Address:	5435 S BRAESWOOD BLVD HOUSTON TX 77096

Taken from the Harris County Appraisal District [Website](#)

At *zlien*, we keep track of the specific rules for every single county in which we file

How to Find the Legal Property Description?

Most county assessor's websites, such as the [Orleans Parish Assessor](#), provide a "property search" function that enables you to search by address or owner name to find the legal description.

Tip to find the legal description: Google the name of the county where the property is located + "assessor property search". For example, you might search the following in Google:

dallas county assessor property search

Identifying the Property Owner

It is critical that you properly identify the property owner. This is rarely a problem for prime contractors, but it can sometimes be difficult for office managers representing subcontractors or material suppliers who were hired by someone other than the property owner. Most states do not require that the prime contractor disclose the property owner's identity, and unfortunately, doing this research on your own can be difficult or expensive. *zlien* has access to a national property database to find this information.

For a more in-depth explanation of researching property description, read our post,

[Mechanics Liens: Researching the Legal Property Description.](#)

4. Preparing Your Notice

What Should My Notice Look Like?

Per usual, the content of your notice will vary state-by-state, project-by-project.

Some states (such as Oregon) provide in their lien statute a specific form for you to fill out and send as notice. Other state's only mention in passing information that should be included.

If you are sending a voluntary notice (i.e. you are not required to send notice), then you may choose what to include on the notice.

[Click here to download *zlien's* voluntary preliminary notice template](#)

With *zlien*, you don't ever have to worry about what your notice needs to look like.

Our legal team has assembled and formatted every preliminary notice, for each state and project role.

All you have to do is provide basic project details — we take care of the rest.

[Click here to start a free trial of *zlien's* notice software](#)

Here are three methods for preparing your preliminary notice

1. CONSULT THE LIEN STATUTE

This method is highly accurate, though it can be confusing. Consult the lien statute (laws) of the state where the project is located. To find a copy of each state's lien statute

1

Visit
zlien.com/resources

2

Select the state

3

Click "Lien Statute" in the
left menu

Once there, look for sections that contain the word "notice" to help narrow down your search to the information you're looking for. For example, in **California § 8200-8216. Preliminary Notice** clearly outlines what the notice should contain.

2. FREE TEMPLATES FROM ZLIEN

zlien offers **free template downloads** on our website, including preliminary notices for states that require them. These templates should be used as guides and references, as we are not able to update them as frequently as we update the notices that we send on behalf of our customers.

3. OUTSOURCE

zlien enables users to send unlimited preliminary notices. You'll never have to think about picking the right notice, or formatting or sending the notice. All you have to do is give us some basic project information, and we'll take care of the rest! *zlien* helps businesses secure over \$100 million each month using preliminary notices. Give it a try for yourself:

[Click here](#) to start a free trial of *zlien*.

5. Identifying Recipients and Mailing Methods

Who Needs to Receive Your Notice?

In most cases, notice must be sent to the property owner. Many states also require that notice also be sent to the general contractor, and sometimes to the construction lender as well (when the project has a lender).

Remember, notice requirements were introduced for the benefit of the property owner. Notices make owners aware of who is working on the project, so that the owner isn't slammed with a surprise mechanics lien. On larger projects, general contractors are often also unaware of all of the contractors and suppliers doing work. Notices provide GCs and owners with visibility, so that they can intervene to resolve payment issues and facilitate a successful project.

Finding your notice recipients is as easy as finding your deadline.
All you have to do is

1

Visit
zlien.com/resources

2

Select the state in which your
project is located

3

Scroll down to the section
titled, Do I Have to Send
the [your state] Preliminary
Notice To Someone Other
Than the Owner?

How to Mail Your Notice

Most states dictate which mailing method(s) to use when sending a preliminary notice. Most states require one of the following two methods:

- Certified Mail
- Certified Mail with Return Receipt

Note that choosing the “better” mailing option will not guarantee that you meet your requirement — for example, if you’re required to send notice via Certified Mail, but you elect to use Certified Mail with Return Receipt because it seems like an abundance of caution, **you may actually incur unnecessary legal burdens**. You’ll also pay more than you need to mail the notice.

In sum, follow your requirement. No more, no less. To find your required mailing method:

1. Follow steps 1 and 2 above
2. Scroll to the section titled How Should the [state] Preliminary Notice Be Sent?

What do I do if my notice is not delivered or is unclaimed?

Many states only require that a preliminary notice be properly sent with the correct address (i.e. delivery of the notice is not required). Other states require that the sender “exercise reasonable efforts to discover the whereabouts of [the recipient] and notify him.”

The good news is, in a number of cases, when a party has tried in good faith to deliver a notice, but was unsuccessful, courts have accepted this effort as meeting the notice requirement.

[Learn how *zlien* helps you manage rejected or undeliverable mail](#)



Lien rights made **easy**.™

Lien rights exist to make sure you get paid. Mechanics liens and other powerful legal tools help ensure that contractors, suppliers, and other construction companies secure payment on every single project.

But managing lien rights is complicated and time consuming. Sending notices and exchanging lien waivers requires keeping track of deadlines and requirements that vary by state.

zlien makes lien rights easy. Click the button to speak to an expert about how you can secure payment on every project and make your job easier.

[GET DEMO](#)

zlien Features

- 1 Send unlimited notices on every project
- 2 Manage all your lien waivers in one place
- 3 Our JobSight team researches all your requirements and project info
- 4 Deadline tracker alerts you when documents are due