

Lien Contract

This Building Construction & Mechanics Lien contract is made and entered into on

_____ at _____

_____ between _____,

hereafter referred to as "Owner", and _____, hereafter referred to as Contractor. It is understood that "Owner" and "Contractor" may include multiple owners and contractors. The parties agree as follows:

1. In consideration of a sum of money agreed upon, Contractor agrees to perform, at his own expense, improvement work upon Owner's property located at _____

_____.

Said improvements are to include (specify) and are to be completed by _____.

2. Contractor will, upon execution of this contract, furnish a bond in the amount of _____, which shall be conditioned upon contractor's payment of all bills due for materials, labor, and any other items so that no party engaged by the contractor shall have cause to place a lien against the owner's property. The bond shall be payable to the owner and his assignees, if any.

3. In consideration of the improvements described above, owner agrees to pay contractor the sum of _____ which shall be paid as follows:

_____ cash.

_____ in the form of a note executed by the owner to the contractor, with interest bearing from the date of this agreement. The payment schedule shall be (list dates or milestones, and dollar amounts due at each).

4. To secure payment of contractor's expenses, the owner hereby gives an express materialman's, builder's, and mechanics' lien against the property mentioned above and all improvements made to it.

5. Contractor agrees to carry insurance as required by law on the property, materials, workmen, and all other activities that contractor shall carry out upon the property. Owner, upon completion of the improvements, shall be responsible for obtaining insurance upon them.

6. Failure to complete the improvements, or failure to complete them according to the terms of this contract, shall not defeat the lien agreement and indebtedness of the owner to the contractor. In the event contractor fails to complete the contract, the owners shall debt shall be as stated above less the reasonable cost of completing the work.

7. In the event owner makes any improvements to the property subsequent to the execution of this contract, it is agreed that owner's indebtedness and lien shall include said improvements.

8. The note or notes described above shall constitute first liens against the owner's property, preferable to any foreclosure and any other notes given by the owner to other parties.

9. Contractor shall not start work until this agreement, and all notes and insurance specified in it, have been executed and filed with the appropriate county registry. Contractor will comply with all applicable laws and regulations in performing the work, including obtaining, at his own expense, any licenses or permits required.

In witness to their agreement to these terms and execution of this agreement, the parties affix their signatures below:

Owner Print Name

Owner Signature

Contractor Print Name

Contractor Signature