

Michigan Construction Lien's – Which Waiver is Correct?

A Full Unconditional Waiver should be given by a contractor, subcontractor or supplier wherever full payment is made. In simple terms, it is a receipt for payment and announces that the contractor, subcontractor or supplier's construction lien rights have been relinquished.

If only partial payment is received a Partial Unconditional Waiver should be given. A Partial Unconditional Waiver is a receipt for partial payment and releases the contractor, subcontractor or supplier lien rights as to the partial payment received.

If the contractor, subcontractor or supplier has not been paid but is requested to provide a lien waiver for purposes of securing payment, the contractor, subcontractor or supplier should provide a "Conditional" lien waiver. A Full Conditional Waiver provides that as soon as full payment is received, or some condition of payment as agreed upon is met, the contractor, subcontractor or supplier's lien rights will have been relinquished.

Once the Claim of Lien has been fully paid, the lien claimant must deliver to the owner a true copy of recorded Discharge of Lien. The Discharge of Lien releases all rights to the property and informs all parties that the debt has been paid.

Michigan Construction Lien's – Claim of Lien

The Claim of Lien must be properly completed, signed, dated, notarized and recorded within 90 days from the last day of work or furnishing of supplies at the County Register of Deeds within the county that the property is located. If you are a supplier, subcontractor or laborer, you should also file Proof of Service of Notice of Furnishing along with the Claim of Lien. A Proof of Service of Claim of Lien should also be prepared to prove that all parties have been properly served with a copy of the Claim of Lien.

Once a Claim of Lien is filed, a lawsuit must be filed within one year from the date of recording the Claim of Lien,