

**QUESTIONS AND ANSWERS REGARDING
CALIFORNIA MECHANICS' LIENS**

I. MECHANICS' LIENS IN GENERAL

- A. What is a mechanics' lien?
- B. Who is entitled to claim a mechanics' lien?
- C. When do mechanics' liens attach?
- D. What is the amount recoverable on a mechanics' lien?

II. REQUISITES TO ENFORCEMENT OF MECHANICS' LIENS

- A. Claimant must be licensed
- B. Claimant must have given preliminary 20-day notice (if applicable)
- C. Notice of lien must be timely recorded
- D. Foreclosure action must be timely initiated
- E. Lis pendens must be recorded

III. MECHANISMS FOR LIMITING MECHANICS' LIEN LIABILITY

- A. When appropriate, timely post and record a notice of nonresponsibility
- B. Obtain lien releases in exchange for each payment
- C. If there is a construction fund, serve all subcontractors with a written demand for stop notice
- D. Upon completion of project, timely record a notice of completion
- E. Upon cessation of labor, timely record a notice of cessation