

FUNDAMENTALS · LESSON 4 · 7 MIN READ

Construction Liens

How mechanic's liens specifically operate across the commercial construction tier — owner, GC, subs, and suppliers.

OVERVIEW

'Construction lien' is the umbrella term for mechanic's-style liens arising on commercial and residential construction projects.

Each tier on a project — owner, GC, subs, sub-sub, suppliers — has different notice and timing obligations.

Public projects are usually not lienable; bond claims replace lien rights.

KEY CONCEPTS

- Tier structure on a typical project
- Private vs. public works (and bond claim alternatives)
- Joint check agreements
- Lien waivers — conditional vs. unconditional, partial vs. final

COMMON MISTAKES

- Signing unconditional final lien waivers before payment actually clears.
- Filing a lien on a public project where only a bond claim is available.
- Not tracking which tier the claimant sits in — it changes notice obligations.

PRACTICAL EXAMPLES

WAIVER DISCIPLINE

A subcontractor signs an unconditional final waiver to release a progress payment. The check bounces. The waiver still discharges the lien rights — the sub is now unsecured.