

CHAPTER 514

LIENS; LABOR, MATERIAL

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514.011 NOTICE.

Subdivision 1. **Contractors.** Every person who enters into a contract with the owner for the improvement of real property and who has contracted or will contract with any subcontractors or materialmen to provide labor, skill or materials for the improvement shall include in any written contract with the owner the notice required in this subdivision and shall provide the owner with a copy of the written contract. If no written contract for the improvement is entered into, the notice must be prepared separately and delivered personally or by certified mail to the owner or his authorized agent within ten days after the work of improvement is agreed upon. The notice, whether included in a written contract or separately given, must be in at least 10-point bold type, if printed, or in capital letters, if typewritten and must state as follows:

(a) persons or companies furnishing labor or materials for the improvement of real property may enforce a lien upon the improved land if they are not paid for their contributions, even if the parties have no direct contractual relationship with the owner;

(b) Minnesota law permits the owner to withhold from his contractor as much of the contract price as may be necessary to meet the demands of all other lien claimants, pay directly the liens and deduct the cost of them from the contract price, or withhold amounts from his contractor until the expiration of 120 days from the completion of the improvement unless the contractor furnishes to the owner waivers of claims for mechanics' liens signed by persons who furnished any labor or material for the improvement and who provided the owner with timely notice.

A person who fails to provide the notice shall not have the lien and remedy provided by this chapter.

The notice required by this subdivision is not required of any person who is an owner of the improved real estate, to any corporate contractor of which the owner of the improved real estate is an officer or controlling shareholder, to any contractor who is an officer or controlling shareholder of a corporation which is the owner of the improved real estate, or to any corporate contractor managed or controlled by substantially the same persons who manage or control a corporation which is the owner of the improved real estate.

Subd. 2. **Subcontractor to give notice.** Every person who contributes to the improvement of real property so as to be entitled to a lien pursuant to section 514.01, except a party under direct contract with the owner must, as a necessary prerequisite to the validity of any claim or lien, cause to be given to the owner or his authorized agent, either by personal delivery or by certified mail, not later than 45 days after the lien claimant has first furnished labor, skill or materials for the improvement, a written notice in at least 10-point bold type, if printed, or in capital letters, if typewritten, which shall state:

“Please take notice that persons or companies furnishing labor or materials for the improvement of real property may enforce a lien upon the improved land if they are not paid for their contributions, even if the parties have no direct contractual relationship with the owner.

We
 (name and address of subcontractor)
 have been hired by your contractor
 (name of your contractor)
 to provide or for use in improving
 (type of service) (material)
 your property. We estimate our charges will be
 (value of service or material)

If we are not paid by your contractor, we can file a claim against your property for the price of our services unless, prior to your receipt of this notice, you have paid to your contractor the full amount of all improvements furnished.

To protect yourself, Minnesota law permits you, as the owner, to withhold from your contractor as much of the contract price as may be necessary to meet our demands, pay us directly and deduct the cost of them from the contract price, or withhold the amount of our claim from your contractor until the expiration of 120 days from the completion of the improvement unless your contractor furnishes to you a waiver of claim for mechanics' liens signed by me (us).”

[For text of subds 3 to 5, see M.S.1982]

History: 1983 c 296 s 1,2

514.07 PAYMENTS WITHHELD; LIEN WAIVERS.

The owner may withhold from his contractor as much of the contract price as may be necessary to meet the demands of all persons, other than the contractor, having a lien upon the premises for labor, skill, or material furnished for the improvement, and for which the contractor is liable. He may pay and discharge all these liens and deduct the cost of them from the contract price. No owner shall be required to pay his contractor until the expiration of 120 days from the completion of the improvement, except to the extent that the contractor furnishes to the owner waivers of claims for mechanics' liens signed by persons who furnished labor, skill or material for the improvement and who have given the notice required by section 514.011, subdivision 2. The owner, within 15 days after the completion of the contract, may require any person having a lien hereunder, by written request therefor, to furnish to him an itemized and verified account of his lien claim, the amount of it, and his name and address. No action or other proceeding may be commenced for the enforcement of the lien until ten days after the statement is furnished. The word “owner,” as used in this section, includes any person interested in the premises other than as a lienor.

History: 1983 c 296 s 3

514.08 STATEMENT; NOTICE; NECESSITY FOR RECORDING; CONTENTS.

Subdivision 1. **Notice required.** The lien ceases at the end of 120 days after doing the last of the work, or furnishing the last item of skill, material, or machinery, unless within this period:

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(1) a statement of the claim is filed for record with the county recorder of the county in which the improved premises are situated, or, if the claim is made under section 514.04, with the secretary of state; and

(2) a copy of the statement is served personally or by certified mail on the owner or his authorized agent or the person who entered into the contract with the contractor.

[For text of subd 2, see M.S.1982]

History: 1983 c 296 s 4

514.19 RIGHT OF DETAINER.

A lien and right of detainer exists for:

(1) Transporting property from one place to another but not as a carrier under article 7 of the Uniform Commercial Code;

(2) Keeping or storing property as a bailee but not as a warehouseman under article 7 of the Uniform Commercial Code;

(3) Keeping, feeding, pasturing, or otherwise caring for domestic animals or other beasts, including medical or surgical treatment and shoeing;

(4) The use and storage of molds and patterns in the possession of the fabricator belonging to the customer for the balance due from the customer for fabrication work;

(5) Making, altering or repairing any article, or expending any labor, skill or material on it.

The liens embrace all lawful charges against the property paid to any other person by the person claiming the lien, and the price or value of the care, storage or contribution and all reasonable disbursements occasioned by the detention or sale of the property.

History: 1983 c 301 s 217

514.221 NONPOSSESSORY MECHANICS' LIEN CREATED; PERFECTION AND ENFORCEABILITY.

Subdivision 1. **Lien created.** Upon compliance with the requirements of subdivision 2, any person who makes, alters, repairs, or otherwise enhances the value of any aircraft at the request of the owner or legal possessor, and who parts with possession of the aircraft, has a lien upon the aircraft for that person's reasonable or agreed charges and for work done or materials furnished.

Subd. 2. **Perfection of lien.** A person claiming a lien created by this section shall, within 90 days after performing the work or furnishing the materials, file in the appropriate filing office under the uniform commercial code, section 336.9-401, a verified statement and description of the aircraft and the work done or material furnished. The lien shall be in force from and after the date on which it is filed.

Subd. 3. **Priority, foreclosure; limitation.** A lien created by this section is prior and paramount to all other liens upon the aircraft except those previously filed in the appropriate filing office. The lien shall be treated in all respects as a secured transaction under the uniform commercial code, sections 336.9-401 to 336.4-508, except that:

(a) any foreclosure proceedings must be instituted within one year of the date the lien was filed; and

(b) the lien is subject to the rights of a purchaser of the aircraft in cases where the purchaser acquired the aircraft prior to the filing of the lien without knowledge

or notice of the rights of the person performing the work or furnishing the material.

History: 1983 c 109 s 1

514.29 ACTION TO ENFORCE; NOTICE.

Within six months after the date of filing the lien statement, the person having a lien shall commence suit for the recovery of the charges by summons, in the usual form, before the appropriate court against the person liable for the payment. Before any lien claimant commences any action to foreclose it, he shall give the person against whom he proposes to bring the action at least 20 days' notice in writing of his intention to foreclose it.

History: 1983 c 359 s 74

514.34 FINDINGS; JUDGMENT.

In all suits or attachments prosecuted under the provisions of sections 514.23 to 514.34, the court or jury which tries it or makes an assessment of damages shall also determine whether or not the amount due for the cost of shoeing the animal described in plaintiff's declaration is a lien upon the animal. If the court or jury finds that the amount due the plaintiff is not a lien upon the property described in the plaintiff's declaration, the plaintiff shall be nonsuited, but shall be entitled to judgment, as in other civil actions and shall recover or tax only those costs allowed and taxable in the other case.

History: 1983 c 359 s 75

514.92 LIEN; STATEMENT OF CLAIM; FORECLOSURE.

Subdivision 1. Every duly licensed and registered veterinarian shall have a lien for all veterinary services over \$25 rendered upon any animal or animals at the request of the owner or lawful possessor of same, including but not limited to surgical procedures, vaccines, antisera, virus, antibiotics, or other veterinary treatment, from the date of filing the lien. Within 180 days from the day on which the treatment was completed, the claimant of the lien shall file in the appropriate filing office under the Uniform Commercial Code, Minnesota Statutes, section 336.9-401, a verified lien statement setting forth the kind and number of animals treated, the reasonable value for the treatment or services rendered, or the price contracted between the parties, the name of the person for whom the treatment was done, the reasonable identification of the animal or group of animals treated, dates when the treatment was commenced and was completed, the name of the owner, or reputed owner, of the animals, the name and address of the veterinarian claiming the lien. Within one year after the date the last service was rendered, but not thereafter, the lien claimant may foreclose his lien in the manner prescribed for security interests under article 9 of the Uniform Commercial Code.

[For text of subd 2, see M.S.1982]

History: 1983 c 301 s 218