



IOWA'S NEW MECHANIC'S LIEN LAW – ADDITION TO FINAL LIEN WAIVER FORM

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Recently, I have had several people ask me about whether they should revise or add to their *final* lien waiver forms for residential projects in light of the new Mechanic's Lien Law and, specifically, in light of the new commencement of work notices and preliminary notices that are posted on the Mechanic's Notice and Lien Registry at the outset of each residential project.

Each construction company should have its attorney carefully review its final lien waiver form to ensure that it is appropriate for that company's specific legal and practical needs. With that caveat, some of my general contractor clients have determined that it is prudent to add the following language to their *Final* Lien Waiver form that they use with their subcontractors and suppliers:

This full and final lien waiver is an explicit acknowledgment of final and full payment of the contract price under the Undersigned's contract with Contractor or other agreed upon price; acts as a final release and discharge of Owner and Contractor of any further claim or obligation for payment of any kind; and acts as a withdrawal and release of any preliminary notice or commencement of work notice posted on the Mechanic's Notice and Lien Registry for the Property by the Undersigned.

Please remember that this language is not appropriate for a *Partial* Lien Waiver form.

ATTORNEY JODIE McDOUGAL WORKS WITH RESIDENTIAL AND COMMERCIAL CONTRACTORS, SUBCONTRACTORS, ARCHITECTS, AND OTHERS ON A VARIETY OF MATTERS INCLUDING: PREPARATION OF CONSTRUCTION AGREEMENTS, WARRANTIES, AND SUBCONTRACTS; MECHANIC'S LIENS; PUBLIC LIENS / CHAPTER 573 CLAIMS; DEFENSE OF DEFECTIVE CONSTRUCTION CLAIMS; AND OTHER LITIGATION MATTERS.

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