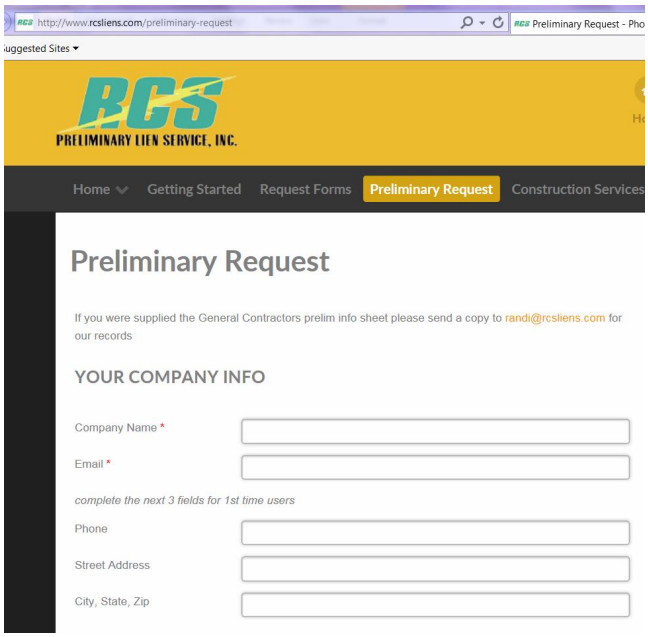
Newsletter

Contractor's Edition 2 **June 2018**

LET US HEAR FROM YOU…..

If you have any suggestions, questions or concerns, please email betty@rcsliens.com or call us directly at (602) 279-7900.

For those clients that are not signed up with our portal, please request your Preliminary Notices at http://www.rcsliens.com/preliminary-request



Please complete all sections with "red" asterisk *

Towards the very bottom of the preliminary request, be sure to check the below option

☑ Send a copy to yourself

DISCLAIMER

Please be sure to click

SEND OUR PRELIMINARY REQUEST INFO

in order to generate a ticket number. If a ticket number was not generated, your request didn't go through.

- Invoice Payments can be made online at http://www.rcsliens.com/make-payment

If you are late sending your Preliminary Notice:

In order to preserve the full value of the mechanic's lien, a claimant should send the Arizona preliminary notice within 20 days of first providing labor or materials. It is ok to send it earlier than your start date.

Failure to give notice within 20 days of first providing labor or materials may reduce or destroy a lien's power to secure a debt. The law provides for lien claimants to give the required notice at a later date. However, late service is only effective to protect lien rights for the value of the labor, materials, equipment and supplies provided within twenty days before the service of the preliminary 20- day notice and thereafter.
The following illustrates this point.

Contractor: XYZ Contracting Project: Super Duper Mall
Contract Amount: $25,000

Job starts on February 1, 2018:
Preliminary notice is sent on February 22 for the estimated amount of $25,000
The project was completed on February 28, 2018

On April 1, 2018, XYZ is owed the full $25,000 and decides to file a mechanic's lien. Their lien service asks them the value of the work from February 3 to the present, which amounts to $19,000; what can they lien for?

Answer: $19,000 the value of materials and labor amounted to $6,000 for the first 2 days in February that they could not lien for.

Goes back 20 days from the day notice was sent

Job Start ← _____Notice Sent

X__X _____X_____

Feb 1-2-**3**-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-26-28

In this example the job started on Feb 1st but the preliminary notice was sent on Feb 23rd.

Therefore, there was no protection for Feb 1st and Feb 2nd.

RCS Preliminary Lien Services
Liens & Collections since 1991

Phone: (602) 279-7990 **FAX** (602) 279-3789

www.rcsliens.com ***www.rapidcollections.com***