



NC STATE LIEN AGENT SYSTEM

THE PROCESS AND HOW IT AFFECTS YOUR ROLE IN THE PROJECT

OUR AGENDA

1 Background & History

4 The Big Picture

2 Requirements

5 Resources & Contact

3 Responsibilities & Roles

6 Questions

BACKGROUND INFORMATION

And the Creation of LiensNC

ABOUT MECHANIC'S LIENS

A TOOL TO HELP CONTRACTORS & SUPPLIERS GET PAID!

- Unpaid participants can *also* pursue the owner
- Property becomes payment security
- Puts freeze on project funds (domino effect)
- Stops property movement (can't be sold, transferred or refinanced)
- Increased pressure results in payment



Invented by Thomas Jefferson

NORTH CAROLINA LIEN AGENT LAW

§ CHAPTER 44-A, ARTICLE 2

Effective 2013 (*Amended 2013 and 2018*)



USE CORRECT **TERMINOLOGY**

“Lien” + “Agent”



ABOUT THE LIEN AGENT



Steve Brown



Nancy Ferguson



Karl Knight



Ken Stone



Valerie Jahn-Grandin



Candice Redhead



Chris Hinton



Michael Medlock



Robert Bauchle

ABOUT ME

For over 27 years, NIC, Inc. has been the industry leader in developing unique solutions to interact with government.



ABOUT LIENSNC

COLLABORATIVE EFFORT OF NIC AND LIEN AGENTS

LiensNC was designed to create information transparency and efficiency through an online registration filing system.

In other words...LiensNC is a state construction registration system.



Proven

Launched on
April 1, 2013



Trusted

\$0 Lost in Hidden
Lien Litigation



Secure

Industry Standard in
Secure Data Transfer

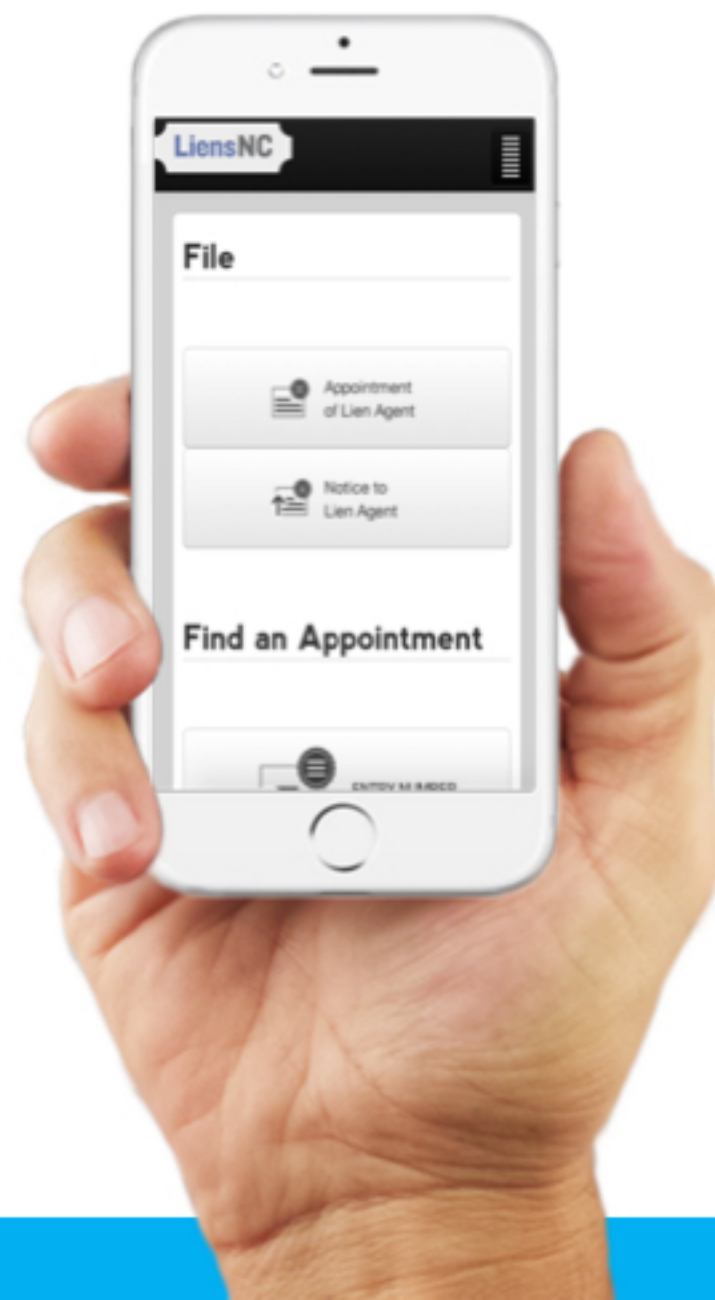


Innovative

One of the First SCRs
in the Country

PURPOSE OF THE ONLINE SYSTEM

- ✓ MODERNIZES THE FILING PROCESS
- ✓ AUTOMATES NOTIFICATIONS
- ✓ CREATES TRANSPARENCY
- ✓ IMPROVES EFFICIENCIES
- ✓ HELPS PRESERVE LIEN INTERESTS





TYPES OF CONSTRUCTION PROJECTS

Lien Agent Requirements & Exemptions

WHEN IS A LIEN AGENT REQUIRED?

Buildings

Alterations

Excavations

Landscaping

A lien agent is
required for
ANY
IMPROVEMENT
made to real
property.

Structures

Clearing

Grading

Filling

Pools | Accessory Structures | Private Roadways | Trees & Shrubs

WHEN IS A LIEN AGENT NOT REQUIRED?

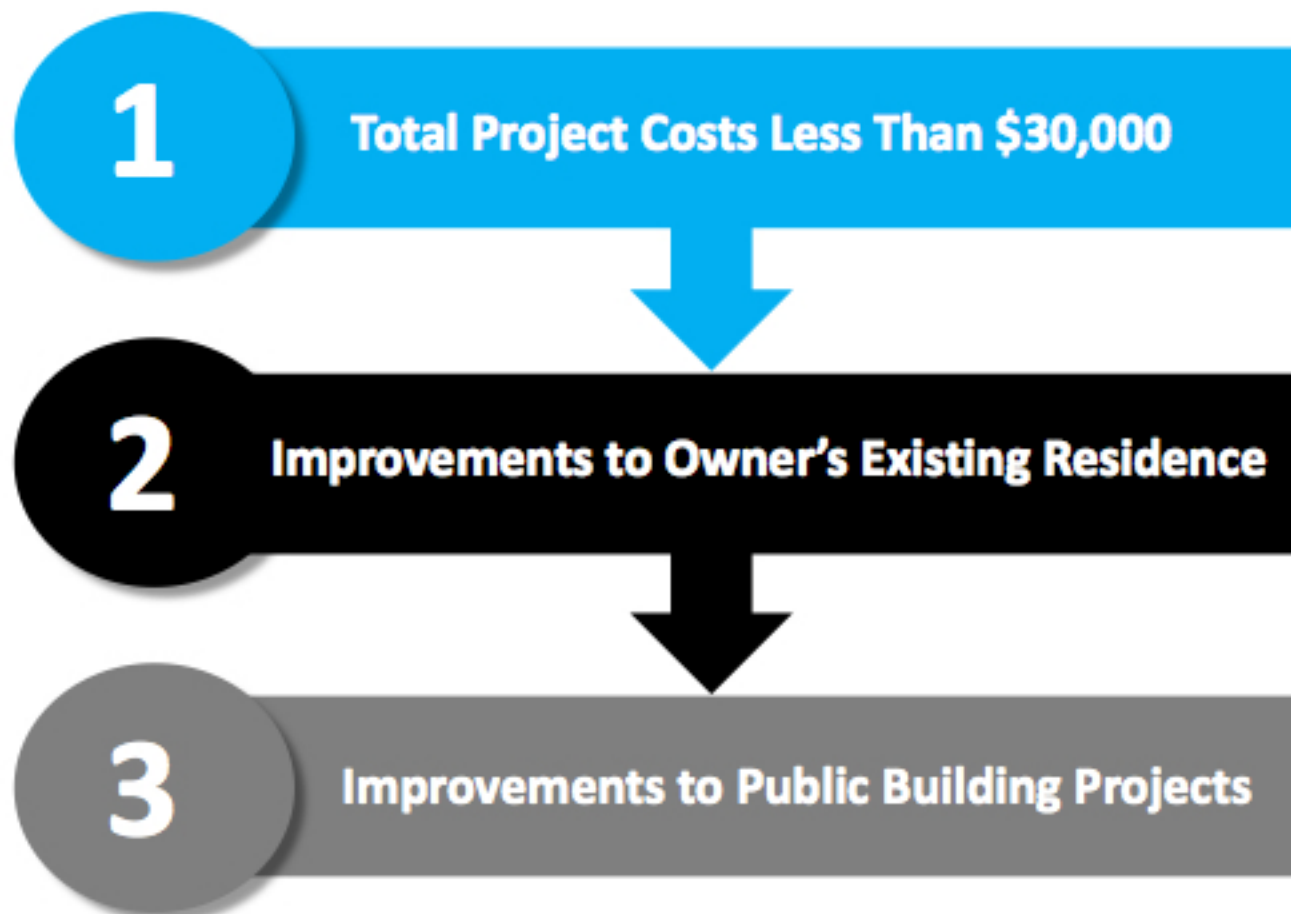
EXEMPTIONS

Although rare, a lien agent is not required under some conditions. There are **ONLY THREE** exemption situations:

WHEN IN DOUBT

Since the lien agent cost is minimal and serves as a precaution, there is more harm in NOT appointing a lien agent.

Best to throw caution to the wind.



IS A LIEN AGENT REQUIRED? – YES OR NO

YES – REQUIRED

- ✓ New build of owner's future home
- ✓ Remodel of owner's rental house
- ✓ No GC, subs, suppliers, etc. involved
- ✓ Mobile homes (excluding purchase price)
- ✓ Building permit is inconsequential
- ✓ Not an umbrella for future projects
- ✓ Improvements to pool, land, etc.
- ✓ Property open to the public
- ✓ Paying for everything with cash
- ✓ Multi-phase projects



NO – EXEMPT

- ✗ Remodel of owner's current residence
- ✗ Total project cost is \$29,999 (or less)
- ✗ Public building project
(per § Chapter 44A, Article 3)





RESPONSIBILITIES

Including Your Role in the Project

APPOINTMENT OF LIEN AGENT

OWNER

The owner of the project property is legally responsible for appointing the lien agent.

(Not the contractor – unless they are the owner of the property or a legally authorized agent of the owner)



Registers Project

The owner goes online and designates a lien agent. This registers the project into the LiensNC database.



Tells Contractor

The owner shares the project Entry Number with anyone they contract with. (Typically the GC)



Posts at Job Site

The owner ensures the lien agent details are posted at the job site until the project is complete.

APPOINTMENT OF LIEN AGENT



SIMPLY:

- **Designate a Lien Agent**
- **Provide Owner Info**
- **Provide Property Details**
- **Pay the Fee**
 - \$30 (1-2 family dwellings)
 - \$58 (Everything else)

AVOID THE LEGAL ISSUE DOMINO EFFECT

There are several reasons why it makes the most sense for the owner to register a project.



THE OWNER IS:

Legally
obligated

Looking at the
big picture

Most invested
in the property

PROOF OF OWNER'S LIEN AGENT APPOINTMENT

REQUIRED FOR BUILDING PERMIT

LiensNC has designed a printout that provides all the necessary lien agent appointment details. This printout is the best method for ensuring the project has been filed with LiensNC.

POSTED AT JOB SITE

The printout is also the easiest way to post the lien agent details at the job site, where it is required to be displayed conspicuously throughout the duration of the project. In doing so, this gives the PLC a more convenient way to file their notice of involvement.



POST AT JOB SITE

Details: Appointment of Lien Agent Printed on: 11/26/2022 10:45 AM EST

Entry #: 505555

Designated Lien Agent

Project: The Lincoln Center

Address: 1000 Lincoln Center Blvd, Suite 1000, Raleigh, NC 27601

Phone: (919) 555-1234

Email: [redacted]

Owner Information

The Owner

100 Main Street

Raleigh, NC 27601

Contractor

1000 Main Street

Raleigh, NC 27601

Phone: (919) 555-5678

Project Property

Project Name: The Lincoln Center

Project Address: 1000 Lincoln Center Blvd, Suite 1000, Raleigh, NC 27601

Project Phone: (919) 555-1234

Property Type

Commercial Building

Date of First Filing

11/26/2022

Post & Print

QR Code

Scan this QR code to view the details of the project.

NOTICE TO LIEN AGENT



PROTECTS PLC's LIEN RIGHTS

CONTRACTORS & SUPPLIERS

Anyone who provides labor or materials for improvements to the project property are considered a potential lien claimant. (aka PLC) Including: contractors/subcontractors (1st, 2nd and 3rd tier), suppliers, architects, designers, surveyors, etc.



Gets Permit

PLC uses lien agent info to get building permit



Files Notice

PLC notifies lien agent of their involvement



Tells Other PLCs

PLC shares Entry Number with lower-tier PLCs

NOTICE TO LIEN AGENT



The tablet screen shows the LiensNC website. At the top, there is a navigation bar with the LiensNC logo, links for Home, Search, History, Cart, and Guide, and buttons for Account and Log Out. Below the navigation bar, the main heading reads "File: Notice to Lien Agent" with a "Change" button. To the right of the heading is a large circular graphic with "\$0" and the text "FILING FEE". Below the heading, there is a section titled "By:" followed by text explaining the purpose of the notice. At the bottom, there is a link to read the full law.

LiensNC Home Search History Cart Guide Account Log Out

File: Notice to Lien Agent [Change](#)

\$0 FILING FEE

By: Potential Lien Claimants (Contractors, 1st, 2nd or 3rd tier subcontractors/suppliers, rental equipment providers, design professionals)
For: Providing Notice that the Potential Lien Claimant is providing lienable labor, services or materials to the real property (the Project Property)
When: At any time before, during or after providing of the labor, services or materials by the Potential Lien Claimant to the real property. However, the notice must be filed prior to conveyance or mortgage of the real property by the Owner to an unaffiliated third party, or for those first providing lienable labor, services or materials to the Project Property within the last 15 days prior to such conveyance or mortgage, the Notice to Lien Agent must be filed within 15 days of the Potential Lien Claimant's first furnishing to the Project Property.

To read the full law, refer to [Chapter 44-A, Article 2, of the NC General Statutes](#)

SIMPLY:

- **Provide PLC Info**
 - Name
 - Address
 - Phone Number
- **List Contracted Through Name**
- **Attest to Giving Notice**

NOTICE STATUS

ACTIVE

Filing less than 5 years old and has not been cancelled or renewed.

Default status assigned

Active RENEWED

Filing that was renewed during active timeframe and has not been cancelled.

Can be performed by filer up to one time

Inactive CANCELLED

Filing that was cancelled during the active or active renewal timeframe.

Can be performed by filer up to one time

Inactive EXPIRED

Filing that is older than 5 years from their original filing or filing renewal date.

Automatically performed by LiensNC

EFFECTIVE 10-01-2018 per HB 602

WHAT IF THE **FILER** MAKES A MISTAKE?

Option 1:

ADD A COMMENT

Comments allow filers to provide:

- ✓ Corrective information if a mistake is made
- ✓ Supplemental information if additional details need to be included

Comments are...

Searchable

**Only Added
by Filer**

**Not Included
in Printout**



WHOOPS!

WHAT IF THE **FILER MAKES A MISTAKE?**

Option 2:

REFILE (ESPECIALLY APPOINTMENTS)

Refiling may be the best option for ensuring:

- ✓ Appointments are accepted at the building permit office
- ✓ There is no confusion with the project details

Don't forget to...

**Cross-
Reference**

**Share New
Entry #**

**Post at Job
Site**

(Appointments)



WHOOPS!

INTERESTED PARTY

LOCATE AND VIEW LIEN AGENT FILING DETAILS



ENTRY # SEARCH

Obtain the Appointment Entry Number from whomever you have a contract with.



ADVANCED SEARCH

Perform a keyword search online to find the Appointment filing. Results can be further filtered if needed.



JOB SITE POSTING

Using a mobile device, scan the QR code located on the Appointment details page posted at the job site.

SEARCH BY...

Obtaining the Entry Number is the best way to positively ensure you find the correct construction project. If someone gave you a copy of the filing details printout (or if obtaining a copy from the job site), the project's Entry Number can be found at the top of the page.



POST AT JOB SITE

Details: Appointment of Lien Agent Filed on: 11/06/2017
Entry #: 555555 Initially filed by: test user

Designated Lien Agent _____

Print & Post

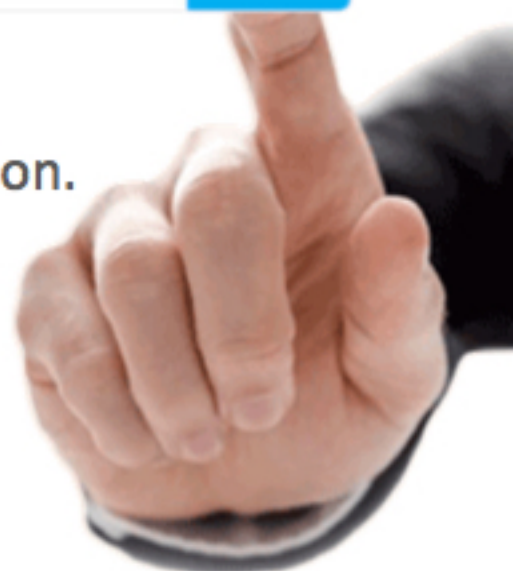
ENTRY NUMBER



In the online LiensNC filing system, select the Entry Number Search option.



There can only be one project assigned to each unique Entry Number.



OR, SEARCH BY...

If the Entry Number is not available, the Advanced Search option is an alternative search method and can be extremely helpful when used properly.

Using Advanced Search could produce too many results or none at all. This option gives users the ability to refine results using one or more filtering capabilities.

Filtering results can either work for you or against you, depending on the search criteria used.

ADVANCED SEARCH



Search Tips:

USE

- Unique terms
- Quotation marks for exact phrases
- Connecting words: and, or, not

AVOID

- Commonly misspelled words
- Abbreviated words



OR, SCAN THE QR CODE



Quick Response Codes

The convenience of scanning the QR code at the job site is extremely beneficial.

Simply scan the bar code looking image with your mobile device, login to your LiensNC account, and enter your Notice filing information.

IT'S THAT EASY!

VIEWING PROJECT INFORMATION



The background of the slide features a stack of rolled-up architectural blueprints at the top, showing various line drawings of buildings and structures. Below this, a solid blue horizontal band serves as a backdrop for the main title. At the bottom, a detailed architectural drawing of a building floor plan is visible, with a grid of rooms and structural lines. A black rectangular box is superimposed on the blue band, containing the subtitle text.

THE BIG PICTURE

When the Process is Followed Correctly

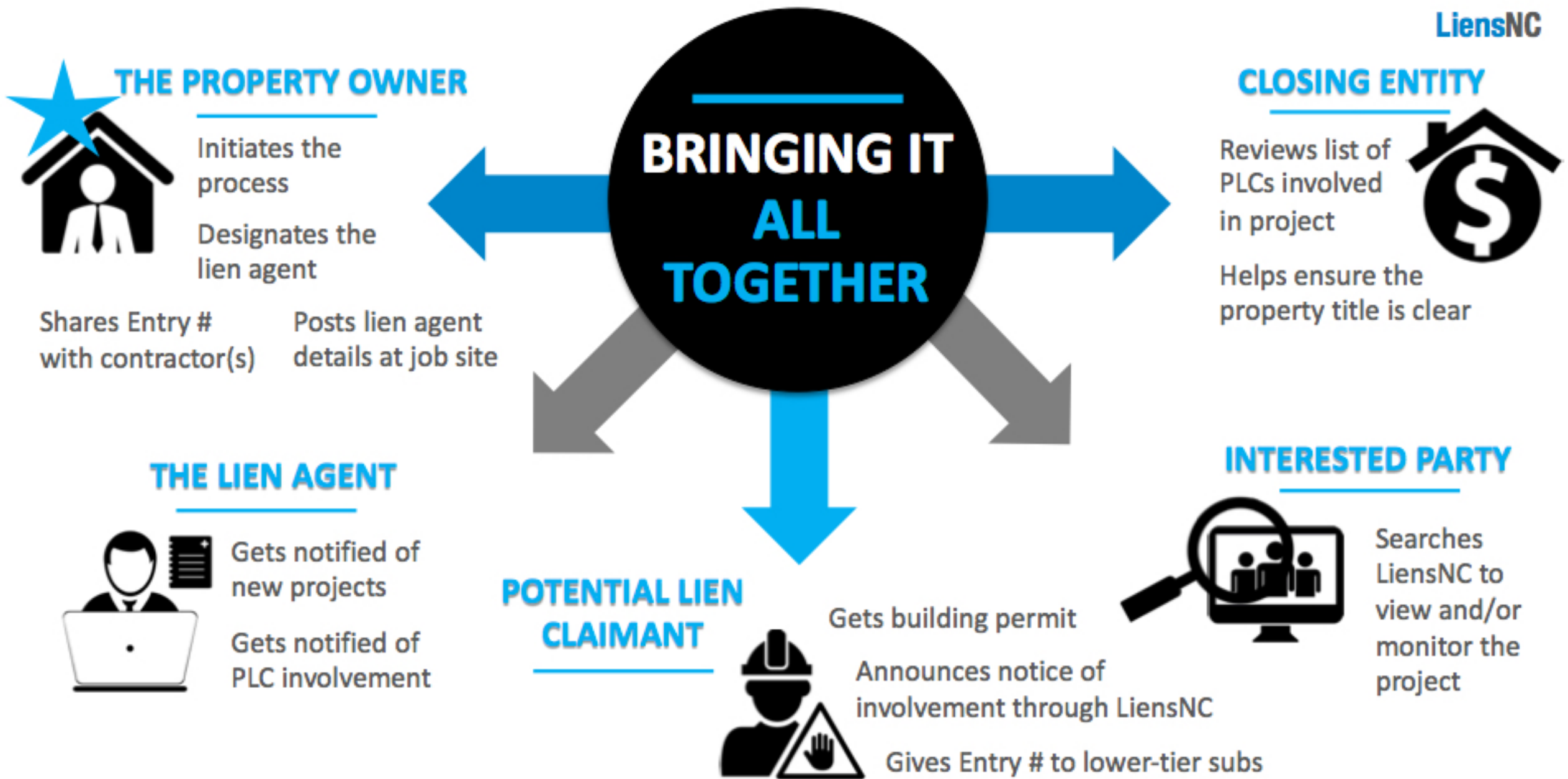
WHEN THE PROCESS IS FOLLOWED CORRECTLY

EVERYONE



**GETS
PAID!**





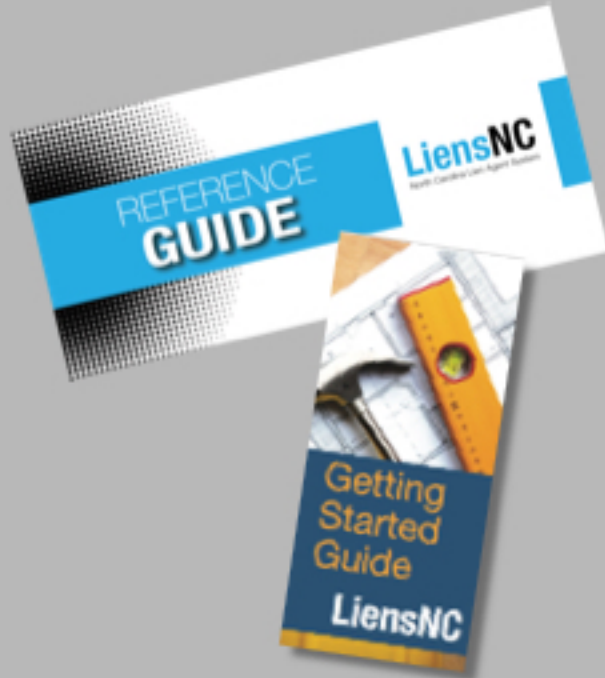


RESOURCES

We're Here to Help You and Your Customers

RESOURCES AT YOUR FINGERTIPS

PRINTABLES



Download, Print & Distribute

WEBSITE



www.liensnc.com

Send Them to Our Website

FILING KIOSK



Send Them to Our Office

GET SOCIAL WITH US



CUSTOMER SUPPORT

CONTACT US

Address:

19 W Hargett Street, Suite 507 | Raleigh, NC 27601

Phone:

888-690-7384

Email:

support@liensnc.com

Website:

www.liensnc.com



QUESTIONS

Ask me Anything....Except for Legal Advice