

CONSTRUCTION LIEN ACT (EXCERPT)
Act 497 of 1980

570.1107a Construction lien for professional services contract by design professionals; notice of contract; form; recording; validity, effectiveness, and duration of notice; applicability to other liens.

Sec. 107a. (1) A design professional who enters into a written contract with an owner, or with a person acting as an agent of the owner, to provide professional services relating to the proposed or actual erection, alteration, repair, or removal of a structure on or other improvement to real property may record a notice with the register of deeds for the county in which the property is located. The notice must be in substantially the following form:

NOTICE OF PROFESSIONAL SERVICES CONTRACT

Under a written contract dated _____ between _____, owner, and _____, design professional, the design professional is to furnish or has furnished professional services relating to the proposed or actual erection, alteration, repair, or removal of a structure on or other improvement to real property described as follows:

Insert description of services

The legal description of the real property is as follows:

Insert legal description

(2) A design professional may record a notice under subsection (1) at any time after the written contract is executed regardless of whether the professional services under the written contract have been commenced or completed, and regardless of whether the erection, alteration, repair, or removal of the structure or the other improvement to which the professional services relate has been, or is ever, commenced or completed. However, a design professional shall not record a notice later than 90 days after the design professional, or another person acting by, through, or under the design professional, last performed professional services.

(3) A notice under this section is valid for 1 year after the date it is recorded. The design professional may record a subsequent notice with respect to the written contract. All of the requirements of this section, including the time limitation of subsection (2), apply to a subsequent notice.

(4) If an actual physical improvement is made to the property after a notice is recorded under this section, the notice is only effective from the date of the first actual physical improvement.

(5) This section, or the recording of a notice under this section, does not affect the requirements of this act regarding the creation of a construction lien, including requirements of section 107, the steps necessary to claim a lien, or the manner of enforcing a lien.

History: Add. 2018, Act 367, Imd. Eff. Dec. 12, 2018.