



ILLINOIS STATE BAR ASSOCIATION

# BUILDING KNOWLEDGE

The newsletter of the Illinois State Bar Association's Section on Construction Law

## Editor's note

By Samuel H. Levine

This issue of the Building Knowledge Newsletter addresses recent cases impacting construction. Paul Porvaznik writes about the case of the case. *Young v. CES, Inc.*, 2014 IL App (2d) 131090-U; an unpublished case discussing the lienability of pre-development work. The case is an excellent primer on mechanics lien principles. Paul is an attorney with Molzahn Rocco, Reed & Rouse in Chicago. His areas of practice include complex litigation, mechanics liens and post-judgment enforcement. Paul has his own website containing many cases. Please note the recent case of *Christopher B. Burke Engineering, Ltd v. Heritage Bank* 2015 IL App (3d) 140064 where the court invalidated a lien be-

cause the bank failed to establish that its work (civil engineering services in creating a plat for a proposed development) improved the property at issue. Stay tuned for a full length article(s) in a future Newsletter. The opinion was filed on January 27th 2015.

Paul Peterson writes about the case of *North Shore Community Bank and trust Company v. Sheffield Wellington LLC*, 2014 IL APP (1st) 123784. It is one of the most talked about cases in recent years. The lien claimants could not prove they did work on the work completions dates sworn to in their claims for lien. Leave to appeal was denied.

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## Young v. CES, Inc.

By Paul Porvaznik

In October 2014, the Second District expanded on the Illinois mechanics' lien act's (the "Act") substantive and timing requirements and also examined Illinois agency law and discussed what services are and aren't lienable in *Young v. CES*, 2014 IL App (2d) 131090-U.

Plaintiff owned two parcels of farm land that were going to be developed into residential subdivisions. He hired a real estate developer to develop the property. That developer, in turn, hired the defendant engineering firm to perform preparatory surveying, grading, storm and sewer work along with construction drawings and elevations for both sites. There was no direct contract between the plaintiff and the engineering firm.

The two developments stalled and the owner plaintiff filed a quiet title suit.

After a bench trial, the court found for the

engineering firm in its mechanics lien counter-suit against the owner and entered a foreclosure judgment on the firm's two mechanics' liens totaling nearly \$150,000 on the two parcels.

The owner appealed arguing that the lien was facially invalid, that he didn't authorize the developer to hire the engineering firm and that the engineering firm sought to recover for non-lienable services.

Held: Foreclosure judgment affirmed

### Reasoning:

Upholding the judgment for the engineering firm, the Court stated and applied some recurring mechanics lien and agency law principles:

- Mechanics liens exist to permit a lien on property where a benefit has been received by a

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## Editor's note

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Paul is vice president and senior underwriter at the Fidelity National Title Group.

Douglas Giese writes about contracts which limit liability. The case is *Boshayan v. Private I Home Inspections, Inc.*, 2014 IL App (1st) 287715-U. Clauses limiting liability are becoming more prevalent in the construction industry. As Doug states, pay heed to "Caveat Emptor" and carefully review the contract. The opinion is an unpublished one but it's principals of law are important in our everyday practices. Doug is with Querrey & Harrow. He represents clients in various areas of general commercial and civil litigation including bankruptcy and mechanics liens. Jason Calliccoat also of Querrey & Harrow contributes to this newsletter. In his article "Contractor Barred from Re-Recording Mechanics Lien warns us to be careful in recording a release of a claim for a mechanics lien prior to payment of all monies owed. Jason also

concentrates his practice in construction law defending breach of contract litigation and mechanics liens. He also handles worker's compensation suits.

Finally, the case of *Henderson Square Condominium Association v. Lab Townhomes*, 2014 IL App (1st) 1 30764 is one of the most important cases to be decided in the past year. It addresses the construction law statute of limitations and statute of repose and cause of action for violation of the Chicago Municipal Code. Clifford Shapiro authors the article. Cliff is chair of the Construction Law Practice Group at Barnes & Thornburg, LLP and a member of the Society of Illinois Construction Attorneys.

Public Act 098- 1131 signed into law on December 19, 2014 amends Section 735 - 5/13 - 214. It amends the construction statute of limitations and statute of repose applicable to lawsuits involving the design,

planning, supervision, observation, management of construction or construction to real property. In particular, it amends subsection (f) of the statute to state that the statute of repose does not apply to an action that is based on personal injury, disability, disease or death from the discharge into the environment of asbestos. The bill becomes law on June 15, 2015.

There was a recent hearing on HB 4657 (the proposed lien bond statute). The hearing was primarily for educational purposes. I anticipate more activity in the spring.

Finally, do not forget the General Counsel Forum scheduled for March 10, 2015 at the ISBA office. See the publicity page of this Newsletter for more information.

I am pleased to note that Eric Singer will be joining me as an editor of the Building Knowledge Newsletter. ■

## Young v. CES, Inc.

Continued from page 1

- property owner and where value of the property has been augmented due to the furnishing of labor or materials;
- To establish a valid lien claim, the contractor must show (1) a valid contract, (2) with the property owner, (3) to furnish services or materials, and (4) the contractor performed pursuant to the contract or had a valid excuse for nonperformance;
- A contractor must file its lien within four months after completion of the work, verify the lien, include a statement of the contract, set forth the balance due and describe the lien property;
- Section 1 of the Act provides that anyone who authorizes or knowingly permits an agent to contract to improve land may have a lien attach to the land;
- To "knowingly permit" (an agent to contract for an owner) under Section 1 of the Act means to be aware of or to consent to property improvements;
- Illinois agency law has two key elements: (1) the principal has the right to control the manner and method of the agent's work; and (2) the agent has the power to

- subject the principal to personal liability;
  - The parties don't have to use the word 'agency' nor characterize their relationship as a principal-agent one for a court to find an agency arrangement;
  - A principal doesn't have to actually control the agent for a court to find an agency relationship; all that's required is the principal has the right to control the agent;
  - A course of dealing that is ratified by a principal can lead to an agency relationship finding
- (¶¶ 99-115, 122-123).

Finding for the engineering firm, the court first held that the defendant's description of the contract was sufficient under the Act. Even though the firm made a technical mistake by saying its contract was with the owner (it was actually with the developer), the court still found the engineering firm's lien was valid where it correctly identified the property, the property owner and because the owner was the developer's principal (and the developer was the owner's agent).

In finding an agency relationship between the owner and the developer, the

court pointed to the two contracts between the owner and the developer for work on the two sites as well as the owner's deposition testimony that he completely relied on the developer to handle all aspects of the properties' improvements.

The court also credited the developer's testimony that he believed he had expansive authority to handle all aspects of the properties' development including hiring and scheduling the engineering, surveying and related activities completed by the plaintiff engineering firm. ¶¶ 115-116.

### Key Lessons

(1) An owner's right to control is all that is required for an agent to bind the owner to a contract affecting the owner's real estate; (2) Hyper-precision in a recorded lien's contract description isn't required for the claim to be valid. As long as the Act's other required information (property description, contract price, completion date, etc.) is accurate, the lien will likely comply with the Act; (3) if there is evidence that a landowner knows a third party has worked on property coupled with

proof of communications between an owner and the third party, a court will likely find for the lien claimant against a lack of privity (“we have no contract”) defense.

*Young v. CES, Inc.*, 2014 IL App (2d) 131090-U also provides clarity on which services are lienable and which aren’t. The lienable vs. non-lienable distinction is an important one to grasp because if a contractor tries to affix a lien for work that didn’t improve the property, his lien can be defeated. Obvious examples of lienable work include building a house or other physical structure on a piece of land. Work that plainly isn’t lienable includes vacuuming, sweeping or property maintenance.

The tricky issues and resulting litigation emerge in the middle ground between the polar opposites of work that’s obviously lienable and work that’s clearly not.

The *Young* court held that the engineering firm lien claimant’s (the “Firm”) preparatory survey and construction drawing services were lienable—even though the properties remained undeveloped.

## Reasons

Section 1(a) of the Mechanics’ Lien Act (the “Act”) provides that anyone who contracts with a landowner (or with someone whom the owner authorized to contract) for property improvements can lien the property. 770 ILCS 60/1(a).

- To “improve” under the Act means to perform services as an architect, structural engineer, professional engineer, land surveyor or property manager for a piece of property. But this list isn’t exclusive: “[a]ny person who does improvement work on the land under a contract with the owner can assert a mechanic’s lien.”
- The main focus in assessing the validity of a mechanic’s lien is whether the work actually enhanced the value of the land or benefitted the landowner.
- the Act’s purpose is to require a person with an interest in real property to pay for improvements or benefits which have been induced or encouraged by its own conduct
- services that merely maintain rather than improve property are nonlienable;
- where a lien claimant can’t separate lienable from nonlienable work, the entire lien claim must fail

(¶¶ 131-132)

## Pre-Development Work Is Lienable

Under these guidelines, the court found the Firm’s services were lienable improvements to the two properties. The evidence at trial showed that the Firm prepared preliminary development plans and installed an underground sewer main beneath the sites.

Moreover, the developer testified that the Firm’s pre-development engineering work improved the properties’ values because the municipality approved the project subject to final engineering. There was also testimony that thanks to the Firm’s work, the property will change from agricultural to residential use; making it more valuable.

Another factor in finding the Firm’s services were lienable was that its preliminary engineering work would not have to be redone in the future and that the survey and engineering services altered the sites so they could be developed in the future. The court wrote: “[i]t remains that[Plaintiff’s] work moved the projects in the direction of becoming... developable.” This clearly conferred a monetary benefit on the landowner. (¶¶ 137-138).

## Pre-judgment Interest

The court also held that the engineering firm could recover prejudgment interest – even though there was no written contract between it and the plaintiff property owner.

In Illinois, prejudgment interest is allowed where it’s authorized by statute, agreement of the parties or warranted by equitable considerations. Illinois law allows creditors to recover interest at the rate of five (5) percent on moneys after they become due on “instruments of writing.” 815 ILCS 205/2. (¶ 144)

Here, even though there was no contract between the Firm and the landowner, the Firm *did* have a written contract with the developer—who the court ruled was the plaintiff/owner’s agent. This satisfied the statute’s “instrument of writing” requirement so that the Firm could recover prejudgment interest.

Afterwords: Pre-development work that makes it easier to develop property in the future can be lienable; especially where there is witness testimony that the preparatory work improved the land and increased its value. Also, prejudgment interest can be recovered absent a written contract between a plaintiff and defendant as long as plaintiff has a written contract with an agent of the defendant or where there is some writing that tangentially connects plaintiff to the dispute. ■

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## Court upholds limitation of liability clause

By Doug Giese

A recent Appellate Court decision outlines the tension that exists between “public policy” considerations and written contract terms which seek to impose liquidated damages and limit liability for a breach. In *Boshyan v. Private I. Home Inspections, Inc.*, 2014 IL App (1st) 287715-U, the Court affirmed the dismissal of a breach of contract and negligence complaint against a home inspector, finding the plain language of the contract clearly and explicitly limited the amount of damages for any claims brought under the contract to the contract price.

A brief review of the facts shows that prior to buying a single family home (the “Home”), Plaintiff Boshyan hired Defendant Private I. Home Inspections, Inc. (the “Inspector”) to inspect the Home. A two-page contract, drafted by the Inspector, was signed by the Parties. The contract provided, among other things, that Boshyan would pay \$500 for a visual inspection and written report of the “apparent condition of the readily accessible installed systems and components of the property existing at the time of the inspection,” but “not the source, proper repair, or cost of said deficiencies.” By its terms, the contract excluded (i) all latent defects from the inspection, (ii) any liability or responsibility for costs of repairing or replacing any latent or unreported defects or deficiencies, and (iii) any liability for repairs done without

notice; disclaimed any express or implied warranties; and, confirmed that all terms and conditions of the contract are limited to those contained in the four corners of the written contract, and would be construed and enforced under Illinois law. Finally, two separate and distinct clauses expressly limited Boshyan to damages of \$500 in the event of a breach of the contract by the Inspector.

Affirming the lower court’s dismissal of the home buyer’s suit, the Court held the contract contained a valid “liquidated damages provision,” which specified a method of determining damages in the event a contract is breached and provided an “agreed-upon measure of damages.” The Court found that since the liquidated damages clause was definitely expressed, and not susceptible to multiple meanings, it was unambiguous. The Court also found the clause was distinguishable from an exculpatory clause, which would generally excuse a defaulting party’s liability for a breach, as the plain language of the contract shows the parties manifested a mutual intent to pre-calibrate a damage amount at the outset for a future breach of the contract. The Court further held that even if the \$500 cap contained an invalid liquidated damages clause under a theory that the clause was either a penalty to secure performance or was optional in nature, the clause itself would still be enforced as an exculpatory clause, which seeks to strike a balance

between freedom of contract principles on the one hand and any public policy considerations which would restrain that freedom on the other hand. The Court specifically held that in the area of “nonregulated” contracts which involve private parties, competent parties are allowed to allocate business risks as they see fit, and since there was no special relationship between Boshyan and the Inspector, they each had equal bargaining power, and no public policy of Illinois was violated by a contract term limiting Boshyan’s damages to \$500. The Court also denied Boshyan’s argument that the contract wasn’t enforceable because the Inspector violated the Home Inspector License Act (the “Act,” see 225 ILCS 441/1-1), finding that the Act only addresses regulations and licensing rules for home inspectors, and does not prevent an inspector from inserting liquidated damages or exculpatory terms in inspection contracts.

This opinion stands for the proposition that “freedom of contract” principles will trump public policy considerations when contracting parties have equal bargaining power, both in terms of education and experience, and there is no fraud or “over-reaching” by one of the parties. It also reminds us to pay heed the well-worn phrase *Caveat Emp-tor*, and when presented a contract which contains a similar clause, either seek to re-negotiate the terms or do not sign the contract. ■

## Contractor barred from re-recording mechanics lien

By Jason Callicoa

The Illinois Appellate Court recently held that a general contractor who recorded mechanics lien releases had forever given up its claims for any mechanics liens claims on the project. The general contractor was not allowed to re-record those mechanics liens, even after the owner failed to pay the amounts it had agreed to pay under a settlement agreement for the recorded releases. See *Oxford 127 Huron Hotel Venture, LLC v. CMC Organization, LLC*, 2014 IL App (1st) 130265.

In *Oxford*, the general contractor had re-

corded three mechanics liens on a hotel project after the owner allegedly failed to pay the general contractor for work performed on the project. The owner had run out of money and asked its lender to provide additional funding. The lender refused, as long as the general contractor had liens on the property. The owner then approached the general contractor, asking if a settlement could be reached so that the liens could be released.

The owner paid part of what had been agreed upon, but still failed to pay the general contractor approximately \$230,000 of

the amount the owner had agreed to pay for the lien releases. The general contractor considered the owner to be in breach of their settlement agreement and re-recorded its mechanics lien claims on the project.

The trial court found that the previous unconditional lien release prevented the general contractor from being able to re-record any valid lien claims. Section 35 of the Mechanics Lien Act provides that when a release of lien is recorded, it forever discharges the lien claim and bars all actions that could be brought to foreclose the lien claim. See

770 ILCS 60/35.

On appeal, the general contractor acknowledged that it had voluntarily released its mechanics lien claims. However, it argued that Section 35 only applies to situations in which a lien is paid in full. The general contractor argued that its releases were not effective because the owner only paid part of what it owed pursuant to the release agreement.

The appellate court noted that it had considered a very similar issue before. In that previous case, the plaintiff sought to adjudicate its liens, but during foreclosure proceedings, the plaintiff had executed and recorded releases of liens in exchange for a partial pay-

ment of the amount claimed under the liens. The defendant moved to dismiss the foreclosure complaint after the liens were released, and the court granted the motion to dismiss. The court cited Section 35 of the Mechanics Lien Act as the basis of its ruling, and the appellate court upheld the trial court's ruling.

In *Oxford*, the appellate court noted that the general contractor had done little to distinguish the prior case. Instead, the general contractor cited to cases in which the court refused to enforce contractual lien waivers when the lienor received only part of the payment promised in the waiver. The court held that a contractual lien waiver is not the same thing as a release of lien recorded pursuant

to Section 35 of the Mechanics Lien Act. Section 35 provides that when a release of lien is recorded, the lien claim is forever discharged. The general contractor may have a case for breach of contract, but it could no longer enforce a mechanics lien on the property.

In light of this ruling, contractors should be very careful not to record releases of lien until they have received all of the money to be paid for the release. Once the release is recorded, Section 35 prevents the mechanics lien claim from being revived. The contractor would then have to try to recover the money owed through a breach of contract action, which is a less potent remedy than a claim for mechanics lien. ■

## ***Henderson Square Condominium Association v. LAB Townhomes, LLC* raises statute of limitations issues**

By Clifford Shapiro

The recent decision of *Henderson Square Condominium Association v. LAB Townhomes, LLC*, 2014 IL App (1st) 130764, arose from suit brought by the condominium association and its board ("Plaintiffs") against the developer and contractor ("Defendants"). Defendants completed construction of the condominium in 1996. The unit owners discovered defects in 2007-2008. Plaintiffs filed suit in 2011, almost 15 years after construction and 4 years after discovering defects.

Plaintiffs asserted causes of action for (i) breach of implied warranty of habitability; (ii) negligence; (iii) fraud; (iv) violation of the Chicago Municipal Code Section 13-72-030; and (v) breach of fiduciary duty. The trial court dismissed plaintiffs' claims and found plaintiffs' causes of action to be time-barred by Illinois' 10-year statute of repose period for construction-based claims. 735 ILCS 5/13-214. Plaintiffs appealed. On appeal, plaintiffs argued: (1) that the trial court erred in finding that counts IV and V of their complaint were time-barred under section 13-214 of the Code of Civil Procedure (735 ILCS 5/13-214 (West 1996)); and (2) that the trial court erred in finding that plaintiffs failed to state causes of action in counts IV and V.

The appellate court reversed and found plaintiffs' claims under Counts IV and V were not time-barred. The 10-year repose period for construction-related claims did not apply because Section 735 ILCS 5/13-214(e) was triggered by defendants' fraudulent conceal-

ment. Section 13-214(e) provides that the repose period does not apply if defendants engage in fraudulent misrepresentations or fraudulently conceals a plaintiff's claim. 735 ILCS 5/13-214(e). When fraud is evident, the statute of repose is tolled and the five-year limitations period in 735 ILCS 5/13-205 applies, which does not include a repose provision. Plaintiffs argued defendants engaged in fraudulent concealment.

In order to demonstrate fraudulent concealment, plaintiffs must show deceptive conduct or the suppression of material facts, not just silence of the defendant. Plaintiffs argued the packet issued by defendants to market the condominium project included specifications of the insulation to be used in constructing the project and placed prospective purchasers on notice that the project would contain insulation. In addition, plaintiffs alleged defendants knew that extensive repairs were needed and defendants did not reasonably budget for such repairs. The appellate court found that it should be left to the trier of fact to determine whether these alleged facts constituted fraudulent concealment. The appellate court found plaintiffs pleaded adequate facts to demonstrate fraudulent concealment.

Furthermore, plaintiffs' claims were premised on the City of Chicago Municipal Code. Sections 13-72-030 and 13-72-100, ("the Ordinance Sections"), provide a real estate buyer with a private cause of action and

damage remedy (including attorneys' fees) where a seller makes misrepresentations in the course marketing real estate; condominiums. Plaintiffs stated a cause of action under the Ordinance Sections and the appellate court rejected the defendants' argument that the ordinance claims were duplicative of the plaintiffs' fraud claims. The Ordinance Sections gave rise to a private right of action and provided an additional remedy to a common law fraud claim.

Lastly, the appellate court looked to the Illinois Condominium Act in regards to plaintiffs' breach of fiduciary duty claim. Under the Act, Section 9.2 provides that a developer has the duty to adequately fund a reserve account for future improvements and repairs. 765 ILCS 605/9(c)(1), (2). A reasonable reserve amount is a fact-based inquiry. A reasonable reserve amount is determined by repair and replacement costs and the estimated remaining useful life of the property's structural, mechanical and energy components. The appellate court held the question of whether the developer adequately funded the repairs reserve account was not properly decided. And that plaintiffs stated a valid claim and properly pled that defendants breached fiduciary duties by failing to disclose known latent defects in the condominium. Defendants had a duty to charge assessments to fund adequate reserves for repairs and replacement of defects. ■

## North Shore Bank and the ever-changing work completion dates

By Paul Peterson, The Fidelity National Title Group

In *North Shore Community Bank and Trust Company v. Sheffield Wellington LLC*, 2014 IL APP (1st) 123784, Appeal of 09CH16804, Circuit Court of Cook County, opinion dated 9/26/14, the First District Appellate Court was confronted with two mechanics lien claims where neither mechanics lien claimant could prove they did work on the work completion date sworn to in their respective mechanics lien claims and reaffirmed under oath in various court filings. In fact, the initial evidence of the work completion date led to summary judgment at trial against one claimant for a late 90 day notice and against the other claimant for late recording of its mechanics lien claim. Both lien claimants did, however, tender subsequently developed or discovered evidence of work completion dates after the previously sworn work completion dates. The trial court, however, reasoned that the sworn to work completion dates were judicial admissions that could not be altered. The Appellate Court, however, reversed, reasoning 1) the purpose of the Illinois Mechanics Lien Act was to pay trades that had improved the property, 2) the Act should be liberally interpreted, and 3) the sworn to work completion dates were not binding judicial admissions because they were alleged mistakes. It did, however, note that those sworn statements were part of the trial record that had to be considered when determining the actual work completion dates. The Appellate Court held that where the mechanics' lien claim was filed within four months of the erroneous work completion date, the alleged revised work completion date was within four months of or after the recorded mechanics' lien claim, and the lien claimant was not seeking amounts for work done beyond the stated work completion date, then the mechanics lien claim gave notice to third parties of a valid lien and there was no prejudice to third parties. There were other issues that are beyond the scope of this article.

No case was cited by the court in *North Shore* where the lien claimant could not prove its sworn mechanics lien completion date and the court held its lien valid. The court in *North Shore* instead said since the mechanics lien claims would be valid based on either the original sworn date and the subsequently alleged work completion date, there was no prejudice to third parties and

the erroneous sworn to work completion dates should not be construed as binding judicial admissions.

The valid on face and no additional amounts due factors were noted in the cited case of *United Cork Companies v. Volland*, 365 Ill. 564, 7 N.E.2d 301 (1937), and in the distinguished case of *Braun-Skiba, Ltd. v. LaSalle National Bank*, 279 Ill.App.3d 912, 665 N.E.2d 485, 216 Ill.Dec. 425 (1<sup>st</sup> Dist. 1996). In *United Cork*, work was actually done on the stated work completion date on the mechanics' lien claim and the mechanics' lien claim was valid on face, but additional work was done after the lien was filed so the actual work completion date was months after the recording of the work completion date. In other words, as of the time of the filing of the mechanics' lien claim, the work completion date for the amount claimed was correct, the lien was recorded timely and the amount of the lien was accurate. The Illinois Supreme Court in *United Cork* reversed an appellate court decision invalidating the mechanics' lien claim because the stated work completion date was not the actual final work completion date. The Supreme Court noted "...a variance between allegations and proof, in order to be fatal, must be substantial and material" and "No charge was attempted to be made for the work performed [after the recording of the mechanics lien claim] and no substantial right of the defendants was affected by the error."

The Appellate Court distinguished *Mutual Services, Inc. v. Ballantrae Development Co.*, 510 N.E.2d 1219, 159 Ill.App.3d 549, 110 Ill.Dec. 188 (1<sup>st</sup> Dist., 1987) and *Braun-Skiba, Ltd. v. LaSalle National Bank*, 279 Ill.App.3d 912, 665 N.E.2d 485, 216 Ill.Dec. 425 (1<sup>st</sup> Dist. 1996) by stating both cases dealt with recorded mechanics lien claims where the stated work completion date was more than four months prior to the recording date, and therefore invalid against a third party purchaser. In *Mutual Services*, the mechanics lien claim recorded June 23, 1981 stated a work completion date of February 20, 1981. Even though the plaintiff argued this was an open account and apparently proved delivery of material on March 19, 1981, the court held the lien unenforceable against a third party as the work completion date was a binding judicial admission. In *Braun-Skiba*, the stated work completion date on the mechanics lien claim was erroneously stated as March

7, 1987 instead of the correct March 7, 1989. The second lien for the same amount stated a work completion date of June 9, 1989. The complaint stated a March 9, 1989 work completion date. The lien claimant foreclosed on the second lien claim but could not prove substantial work done on the June 9, 1989 date. The court said the first recorded lien was not enforceable since it swore to a work completion date that was more than four months prior to the recording of the mechanics lien claim and that date was a formal binding admission of fact.

A petition for leave to appeal *North Shore Bank* has been denied.

Several title companies have decided that they will not waive a mechanics lien claim as an exception to title until two years from the date of the recording of the mechanics lien claim. Note, however, that the accepted work completion date in the *United Cork* case was months after the recording of the mechanics lien claim. Would the court in *North Shore* say a third party purchaser should not rely on the sworn to mechanics lien completion date in a recorded mechanics lien claim but should instead ask the lien claimant what the real work completion date was? And if the purchaser got a second affidavit as to the actual work completion date from the lien claimant, what good would that do under the logic of *North Shore*?

*North Shore* imposes uncertainty for purchasers and their lenders. ■



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**Tuesday, March 10, 2015, 11:30 a.m. - 1:00 p.m.**

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