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A Limited Liability Company

Question: What is one of the easiest ways to lose your mechanic's lien?

Answer: Failure to identify the amount of material delivered to each lot.

In Centex Materials, Inc. v. Dalton, 574 S.W. 2nd 621 (Tex. Civ. App. — Tyler Nov. 16, 1978) suit was brought by a material supplier to foreclose mechanic's liens on separate tracts of land. The delivery tickets of the material supplier failed to establish the amount of concrete that was placed at two of the lots. After examining provisions of the mechanic's lien laws the court determined that the *material supplier had the burden of proving the value of the concrete supplied to each lot* so that the court would be able to order a foreclosure for the specific amount due and owing on each particular lot. See *Centex* at 623.

The concrete supplier, Centex Materials, Inc. supplied concrete which was used on three (3) separate lots. The lots were not contiguous. Centex sued on an unpaid account and foreclosure of its Mechanic's Lien.

The Court rendered judgment granting Centex a judgment for the unpaid account, however, the Court denied foreclosure on two of the lots. The record indicated that

Centex claimed a lien for concrete furnished to Lot 5 and Lot 7, without specifying the amount of the claim for each lot.

The court found that the Centex delivery tickets did not establish what amount of material was delivered to Lot 5 and Lot 7. Since Centex could not establish the value of material delivered to each lot the Court was not authorized to order foreclosure.

Suggestion: Delivery tickets must identify the amount of material delivered to each lot or you may not have a valid mechanic's lien.

Claimants are cautioned to contact an attorney on questions about lien and/or bond claims as the facts and circumstances of each situation will impact the validity of the claim.

[Claimants are cautioned that filing an invalid lien can lead to serious sanctions, including recovery of damages and attorneys' fees from the claimant and can even create criminal liability in cases of knowingly filing false mechanic's liens. Any questions about the proper form or legitimacy of a specific lien or bond claim should be addressed by an attorney prior to filing.]