

Illinois Mechanics Lien Law: Fundamentals and general contractor liens



John Gambill, Owen P. Quinn | Tuesday, September 18, 2018

Illinois law places different requirements upon contractors, subcontractors, and suppliers. This is the first in a series of blog posts that will focus on the fundamentals of Illinois mechanics lien law as it applies to general contractors.

Mechanics liens in Illinois are governed by the Illinois Mechanics Lien Act ([770 ILCS 60/0.01](#), et seq.). The purpose of the act is to ensure that contractors who provide labor, materials, fixtures, or machinery to improve real estate receive payment for their services and materials. Mechanics liens provide a mechanism whereby contractors can place a lien on the property they work to improve in the amount of the value of their services. The lien prevents the owner of the property from transferring the property without first paying the contractor who holds the lien. The mechanics lien also allows the contractor who holds the lien to foreclose on the property and have it sold in order to make sure the contractor gets paid.

How to file a mechanics lien in Illinois

To file a mechanics lien in Illinois, the contractor must file a claim of lien with the recorder of deeds office within four months of the last day of work. The claim must include the following information:

- A statement of the work performed or materials supplied.
- The date that the work or materials were supplied.
- The balance due to the contractor after any credits.
- A description of the real property.

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- The names of the owners of record, the party with whom the contractor contracted, and any mortgagees listed on the property record.

If the lien is against an owner-occupied residence, the lien must be recorded and served upon the owner within 10 days of the date of recording. Failing to timely record the lien, or if the mechanics' lien affidavit is defective, the contractor's lien may not be effective against the real estate and may not be able to be used to recover the unpaid funds.

Contracts and mechanics liens

In order for a contractor's mechanics lien to be valid, there must be a valid contract, whether written or oral, between the general contractor and the owner. If the property has multiple owners, a contract with any one owner satisfies this requirement. Similarly, if a tenant contracts with a contractor, the contractor's mechanics lien attaches to the real estate if the landlord knowingly permitted the tenant to make the improvements. In the case of a tenant-contractor agreement, an owner is presumed to have knowingly permitted improvements if he or she knew of the improvements and either failed to protest or accepted the benefits of the improvements.

Enforcement actions related to mechanics liens will be discussed in a later in this series, but it is important to note that a lawsuit to enforce the lien must be brought within two years of the filing of the lien. If the enforcement action is not timely filed then the contractor loses the ability to use the real property to secure payment for services rendered.

If you have questions about Illinois mechanics lien issues, feel free to contact one of the attorneys below.



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