

# CA Preliminary Notices - Explained

**Why did I receive a Preliminary Notice? Is this a Lien? The information below will help to answer some the most frequent questions regarding Preliminary Lien Notices & Liens.**

## ● **What is the California Preliminary Notice? ●**

The California preliminary 20-day notice is sometimes referred to as the preliminary notice, the pre-lien, the pre-lim, or the 20 day notice. As a California contractor NPG Corporation is required by California state law and civil codes to notify property owner, project owner, lender or bonding company, and prime contractor for any project over \$400 that we will be performing improvements on said property. In addition, this notice informs the parties involved that NPG is protecting its right to file a mechanics' lien against the property if we are not paid for services we provided. *In summary it is merely a notice that NPG Corporation has provided services, labor, or materials to improve your property and NPG could file a lien if we are not paid.*

## ● **So, does this mean I have a lien on my property? ●**

NO. This is **NOT** a lien. It is only to inform you that, by law, we do have the right to lien the property if NPG Corporation is not paid.

## ● **Does this mean that our contractor has not paid their bill? ●**

NO. The preliminary notice is sent to all property owners by law as explained above. This is a routine procedure and should not reflect in any way on the integrity of or credit worthiness of the contractor.

## ● **Why is the preliminary notice sent certified mail? ●**

California State law requires that the notice be sent certified mail.

## ● **Why is the "Estimated Price" different from the contract amount? ●**

California State law requires ESTIMATE of the total price of the services or material furnished or to be furnished to be on the complete job. This would be to cover any extras or additions to the project. For material: it may be as much as 3 times the amount of the first delivery of the material. Keep in mind that NPG would ONLY be able to claim the actual cost of the improvement or material supplied.

## ● **We will be paying our contractor on time, should I still be concerned? ●**

YES. Paying your contractor will not protect you from having UNPAID subcontractors or material suppliers from filing a Mechanics' Lien against your property. The simplest way to prevent liens and ensure that subcontractors and suppliers are paid is to pay with joint checks.

## ● **We have already paid our bill and the job is completed, why was this notice sent? ●**

Once the work of improvement has started, California State law allows 20 days to process the preliminary notice. In some instances acquiring the information needed to prepare the Prelim Notice takes longer than anticipated. Due to this time frame the payment and Prelim Notice may have crossed in the mail.

## ● **What can I do to make sure the contractor pays NPG? ●**

Upon payment, you can request that your contractor to provide an unconditional release from NPG. They can then request a release from us to provide to you. (If NPG is prime contractor please send your release request via fax to (951) 940-9192. By law we cannot divulge any payment information on our customers accounts. You must begin with your contractor.)