

WAIVER OF PROTECTIONS FROM SUBCONTRACTORS' LIENS

**WARNING: Read this notice. Protect yourself
from paying any contractor or supplier twice for the same service**

This is to inform you that if you are purchasing residential real property within 75 days after completion of construction, the property you are purchasing may be subject to construction liens that are not yet recorded on the date of sale. The property is located at _____

Under Oregon law, those who work on your property or provide materials, equipment, labor or services and are not paid have a right to enforce their claim for payment against the property. This claim is known as a construction lien. If a contractor fails to pay subcontractors, material suppliers, rental equipment suppliers, laborers or service providers or neglects to make other legally required payments, any person who is owed money can look to the property for payment, even if the contractor has been paid in full.

Oregon law provides the following protections:

Under Oregon Law, the seller of residential real property is required to take one of the following actions to protect you from construction liens that are not yet recorded on the date of sale:

- PURCHASE or PROVIDE title insurance to help cover any construction liens that are recorded after you complete the purchase of the residential real property.
- RETAIN money in escrow until the status of all construction liens is resolved after the purchase of the residential real property is complete.
- MAINTAIN a bond or letter of credit until the status of all construction liens is resolved after the purchase of the residential real property is complete.
- GET waivers from every person claiming a right to a lien against the property in an aggregate amount of \$5,000 or more.
- WAIT to close the purchase of the residential real property until 75 days after the completion of construction.

Waiver of rights

Under Oregon law, you may waive the requirements that apply to the seller of the residential real property. By signing this document, you agree to waive these protections and accept the risk that the property you are purchasing may be subject to a lien that is recorded after the date of sale. By waiving your rights, you may become liable for payment of the lien even if the contractor has been paid in full. Before signing this waiver, you may wish to consult an attorney.

I have read this statement and understand the risks it describes. I hereby choose to assume those risks and waive the protections provided under section 2 of this 2003 Act by signing this form.

_____, 2_____
Signature of purchaser

Date