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To: Whom It May Concern

RE: General Waiver Procedures

Pursuant to your request, the following are the general rules and guidelines for completing a waiver form:

General Information:

A final waiver must include “on account of labor services, material, fixtures, apparatus or machinery, **heretofore furnished, or which may be furnished at any time hereafter**”

A partial waiver should include “on account of labor services, material, fixtures, apparatus or machinery, **furnished to this date**” or “*to the extent of this payment\**”

*\*acceptable only for material supplier waivers*

Conditional waivers are acceptable only when payment is made directly by the Escrowee to the party completing the waiver. Examples of conditional language are “upon receipt of payment”, “upon receipt thereof”, “once check has been received”, “deposited and cleared our account”.

Material suppliers can provide a waiver only, but any party furnishing both labor and materials should include an affidavit. Architects and consultants on larger projects should also provide an affidavit disclosing other contracts let with supporting waivers as applicable.

Waivers should be executed by corporate officers, owners or partners on behalf of the company. Other parties who sign waivers on behalf of these entities must provide a resolution stating they are authorized to execute waivers. Stamped signatures also require a resolution which approves the waiver.

Alterations on waivers/affidavits should be acknowledged by complete signature, position, and date.

The affidavit is an important document which discloses contract amount and material sources. If all material is delivered to the site by a material supplier, the affidavit of the supplier must list material supplier’s name, the material contract price, amount paid, this payment, and the balance owed. A supplier’s waiver for this payment would be included with the subcontractor’s waiver. If however the material was delivered to the site by the subcontractor, the affidavit would state “All material taken from my fully paid stock, delivered in my own truck. My principal supplier is: \_\_\_\_\_ (name) \_\_\_\_\_ (address) \_\_\_\_\_ (phone number)”

The Mechanic's lien act was amended in 2007 to provide lien rights to lessors of construction equipment. As a title insurer, we must now request that all general contractors and subcontractors list on their affidavit rental equipment and provide supporting waivers. If no rental equipment is used, the affidavit must clearly state no outside rental equipment used. This applies to all work performed after August 16th, 2007 and applies to all commercial projects and any multi family unit with 12 or more units.

A summary of the amendment is as follows: to provide mechanics lien rights to "any person, whether contractor or subcontractor, who leases construction equipment to another for use in the process of constructing a specific improvement to real estate. The lien is "for the rental value of the construction equipment and shall only apply if, and to the extent that, the equipment is used on or about the site of the improvement." (Public Act 95-274 Section 1.2 to the Mechanic's Lien Act, 770 ILCS 60/1.2).

#### Completion of Commonly Used Waiver & Affidavit

1. The company completing the waiver should name the party who hired him (owner, general contractor, and subcontractor)
2. Name the trade (painting, carpeting, general contracting, architect etc.)
3. Address of property or name of project
4. Owner's name (will not bounce waiver if this information is not submitted however if the information is incorrect the waiver will be bounced)
5. The amount of the actual/net payment in words and digits
6. Current date (the date of the waiver must cover the contractor's statement date or work period)
7. Name of Company executing waiver
8. Address of Company executing waiver (optional)
9. Signature and title of person signing waiver
10. The name of the of person executing the waiver his title and the name of his company
11. Name the trade
12. Property address or name of project
13. Owner's name

14. Total contract amount (including extras)

15. Amount paid to date

16. The affidavit and waiver are separate documents and require signature on each document. The affidavit must also be notarized and the notary's stamp affixed.

We hope this information is useful but please don't hesitate to contact us with any questions or comments at 312-621-3310

Kelly Edwards  
Construction Escrow Officer