

MECHANIC'S LIEN STATEMENTS PREPARED BY NON-ATTORNEYS MAY BE INVALID

In a case of first impression, the Hennepin County District Court ruled that non-attorney debt collectors are prohibited from preparing, signing, and recording mechanic's lien statements for others. In *Dering Pierson Group, LLC v. Rockstar Design, LLC, et al.*, Court File No. 27-CV-15-11142, the Honorable Karen A. Janisch concluded that doing so constitutes the unauthorized practice of law. In the *Dering* case, the non-attorney debt collector, which provided mechanic's lien preparation and filing services for construction companies, was permanently enjoined from continuing to engage in such practices "for a fee or otherwise."

The Court reasoned that under the Minnesota Mechanic's Lien Statute, Minn. Stat. § 514, *et. seq.*, the documents necessary to assert a lien, including the lien statement, are legal documents conferring or creating legal rights which must be prepared and executed either by the lien claimant itself or by an attorney on the lien claimant's behalf. As such, the preparation and recording of a mechanic's lien statement implicates and constitutes the practice of law. Therefore, under the *Dering* order, mechanic's lien statements prepared, signed, and recorded by any person other than the lien claimant itself, on its own behalf, or a person authorized to practice law, may be invalid, which may affect the lien claimant's rights.

If you have questions about mechanic's liens or the process by which a valid lien may be recorded, please feel free to contact attorney Jon Steckler at 612-604-2581.