

Mechanic's Lien Affirmation Instructions

Liens of \$2,000 or less (Chapter 770 50/1–50/6)

Conduct Record Search to Determine Vehicle Owner(s) and Lienholder(s)

Contact the Secretary of State, Motor Vehicle Records Division, Record Inquiry Section, in writing requesting a title search to determine the owner(s) and lienholder(s) of the vehicle. A \$5 title search fee is required for each vehicle. In the event the Secretary of State did not find information in the vehicle title/registration records, or the person consenting to or requesting service is not an Illinois resident, every effort to identify the owner of the vehicle should also be made by utilizing the vehicle identification number to conduct a search through a nationwide, commercial motor vehicle information service and inspecting the vehicle for any evidence of the name and/or address of the owner or the state of registration. If other such evidence provides information the vehicle is titled/registered in a state other than Illinois, the motor vehicle department or agency within that state will need to be contacted for written confirmation of the last known owner or lienholder.

Notifications to the Owner(s) and Lienholder(s)

After 60 days has lapsed without service payment, the mechanic lienholder must send a certified letter to the owner(s) and lienholder(s) of the vehicle. The notice must indicate the last owner(s) and lienholder(s) name(s), year, make and vehicle identification number (VIN) of the vehicle and amount due and owing. The letter shall further state the intent to enforce a mechanic's lien pursuant to Chapter 770 ILCS 50/3 unless payment has been received within 30 days and shall further provide the date and location of sale. The mechanic lienholder also must place an ad in a newspaper of general publication for one day listing the last owner's and lienholder's name(s), year, make and vehicle identification number (VIN) of the vehicle, and amount due and owing. The notice also must indicate the intent to enforce a mechanic's lien pursuant to Chapter 770 ILCS 50/3, and provide the date and location of sale giving 30 days notice prior to said sale.

Public Sale

If charges are not paid before the 91st day (60-day lapse plus 30-day notice), the mechanic lienholder may dispose of the vehicle at public sale in accordance with Chapter 770 ILCS 50/4.

Liens of more than \$2,000 (Chapter 770 45/1 et seq. and Chapter 770 90/1 et seq.)

Conduct Record Search to Determine Vehicle Owner(s) and Lienholder(s)

Contact the Secretary of State, Motor Vehicle Records Division, Record Inquiry Section, in writing requesting a title search to determine the owner(s) and lienholder(s) of the vehicle. A \$5 title search fee is required for each vehicle. In the event the Secretary of State did not find information in the vehicle title/registration records, or the person consenting to or requesting service is not an Illinois resident, every effort to identify the owner of the vehicle should also be made by utilizing the vehicle identification number to conduct a search through a nationwide commercial motor vehicle information service and inspecting the vehicle for any evidence of the name and/or address of the owner or the state of registration. If other such evidence provides information the vehicle is titled/registered in a state other than Illinois, the motor vehicle department or agency within that state will need to be contacted for written confirmation of the last known owner or lienholder.

Notifications to the Owner(s) and Lienholder(s)

After 30 days has lapsed without service payment, the mechanic lienholder must send a certified letter to the owner(s) and lienholder(s) of the vehicle. The notice shall indicate the last owner(s) and lienholder(s) name(s), year, make and vehicle identification number (VIN) of the vehicle and amount due and owing. The letter shall further state the intent to enforce a mechanic's lien pursuant to Chapter 770 ILCS 45/1 or 90/1 unless payment has been received within 30 days and shall further provide the date and location of sale.

If the owner(s) and lienholder(s) name(s) are unknown, or if the certified mailing is returned as undeliverable, the mechanic lienholder must place an ad in a newspaper of general publication once each week for three consecutive weeks listing the last owner's and lienholder's name(s), the year, make and vehicle identification number (VIN) of the vehicle, and amount due and owing. The notice also must indicate the intent to enforce a mechanic's lien pursuant to Chapter 770 ILCS 45/1 et seq. and 90/1 et seq., and provide the date and location of sale giving 30 days notice prior to said sale. Additionally, the mechanic lienholder also must file an Affidavit with the Clerk of the Circuit Court within the county of jurisdiction. The Affidavit shall indicate the facts of the mechanic's lien transaction (chronological events of service performed leading up to and including the undeliverable and/or unclaimed notices). Undeliverable is referred to as the final disposition of any mailpiece that failed to be placed in the possession of the designated recipient regardless of the postal marking specifying the reason for nondelivery.

Public Sale

If charges are not paid before the 61st day (30-day lapse plus 30-day notice), the mechanic lienholder may dispose of the vehicle at public sale in accordance with Chapter 770 ILCS 45/1 et seq. and 90/1 et seq.

Lien pursuant to Self-Service Storage Facility Act (Chapter 770 95/1 et seq.)

Conduct Record Search to Determine Vehicle Owner(s) and Lienholder(s)

Contact the Secretary of State, Motor Vehicle Records Division, Record Inquiry Section, in writing requesting a title search to determine the owner(s) and lienholder(s) of the vehicle. A \$5 title search fee is required for each vehicle. In the event the Secretary of State did not find information in the vehicle title/registration records, or the person consenting to or requesting service is not an Illinois resident, every effort to identify the owner of the vehicle should also be made by utilizing the vehicle identification number to conduct a search through a nationwide, commercial motor vehicle information service and inspecting the vehicle for any evidence of the name and/or address of the owner or the state of registration. If other such evidence provides information the vehicle is titled/registered in a state other than Illinois, the motor vehicle department or agency within that state will need to be contacted for written confirmation of the last known owner or lienholder.

Notifications to the Owner(s) and Lienholder(s)

Upon expiration of the allotted rental agreement timeframe without service payment, the owner of a self-service storage facility must hand deliver or send by certified mail an itemized statement of the facility owner's demand for payment to the vehicle owner(s), storage facility occupant(s) and lienholder(s). The itemized statement must include the vehicle owner's, storage facility occupant's and lienholder's name(s); the amount due and owing at time of statement; the date when the amount became due; and a brief and general description of the property subject to the lien (year, make and vehicle identification number (VIN) of the vehicle). If the rental agreement contains a notice of denial of access to the vehicle, such itemized statement must also provide the name, location and contact information the vehicle

owner/occupant/lienholder may contact to respond to this notice. The statement must indicate the intent to enforce a mechanic's lien pursuant to Chapter 770 ILCS 95/1 et seq. unless payment has been received within a minimum of 14 days and shall further provide the date and location of sale. After 14 days minimum has lapsed without service payment, the owner of a self-service storage facility also must place an ad in a newspaper of general publication in the location of the facility once each week for two consecutive weeks listing the last owner's, storage facility occupant's and lienholder's name(s); the year, make and vehicle identification number (VIN) of the vehicle; name and address of the facility; and time, place and manner of the sale.

Public Sale

If charges are not paid before the 15th day after the first newspaper publication, the owner of the self-service storage facility may dispose of the vehicle at public sale in accordance with Chapter 770 ILCS 95/1 et seq.

Mechanic's Lien

A mechanic's lien may be established against a vehicle by an individual or company after the vehicle's owner or person consenting to such service fails to pay and leaves the vehicle in the custody of the individual or company for an extended period of time.

If an individual or company has repaired, provided service, supplies and materials, towed and/or stored a vehicle with the consent of the vehicle owner and has not been paid for the services rendered, a mechanic's lien may be enforced on a vehicle currently in their possession by obtaining a Certificate of Title for the vehicle on which the labor, service, materials or storage were expended pursuant to the following statutes: ILCS Chapter 770, Sections 50/1 through 50/6 and 770 Sections 45/1 et seq and 90/1 et seq. Each statute identifies the specific requirements set forth with which to obtain title based on the total amount of the lien. Liens imposed due to the Self-Service Storage Facility Act are enforced pursuant to Chapter 770, Sections 95/1 et seq. After taking the required actions to establish a mechanic's lien, the individual or company may sell the vehicle at public auction in order to recoup the monies owed by the vehicle owner.

Important Facts to Remember

- If the mechanic lienholder asserts a fee that is not reasonably related to the work performed, those charges may not be considered as part of the overall bill for services rendered. An example is administrative costs or title searches related to disposal of the vehicle. The mechanic lienholder must set forth with specificity the items of labor and material and their corresponding values that comprise the lien. Inflated costs and/or inappropriate calculations/monetary values may be subject to further investigation.
- To enforce a mechanic's lien, the vehicle owner's consent is required. Documentation provided to the Secretary of State must indicate consent, whether express or implied. If a person signs a document stating that he or she agrees to the written statement of charges for completed work or services, express consent is given. Without this signature, consent is very difficult to prove.
- A vehicle owner parking inappropriately consents to removal by towing of his or her vehicle where notice that unauthorized vehicles will be towed from such property is provided pursuant to state law, local ordinances or regulation by any state or local agency. Implied consent is inferred by the vehicle owner's actions and the vehicle may be relocated by a licensed agent. Proof of tow authorization by the property owner or law enforcement agency is required.
- Towing agencies may enforce a mechanic's lien for service, supplies and materials, towing and/or storage for vehicles towed pursuant to the order of a law enforcement official or agency. Proof of tow authorization by the law enforcement agency is required.
- A property owner may not use the mechanic's lien process to dispose of a vehicle, even though the requirement of the sign does not apply to residential property clearly reserved or intended exclusively for the use or occupation of residents or their vehicles, without proving consent to service by the vehicle owner. Illinois law provides for the disposal of abandoned or unclaimed vehicles by a law enforcement agency authorizing a towing agency to remove the vehicle from said property.
- The mechanic lien process is intended for intact vehicles with no significant damage. Vehicles sustaining major damage may not qualify for a clear, regular certificate of title.
- The mechanic's lien process MAY NOT begin until 60 days has lapsed without service payment for liens of \$2,000 or less, or until 30 days has lapsed without service payment for liens of more than \$2,000. A mechanic's lien transaction in violation of these provisions of the Illinois Compiled Statutes will be returned.

Documents Required to Transfer Ownership

1. Mechanic's Lien Affirmation (VSD-526) completed in full by the seller (mechanic lienholder) and purchaser of the vehicle.
2. Application for Vehicle Transaction(s) (VSD-190) completed in full in the name of the individual/business acquiring the vehicle pursuant to the mechanic lien sale.
3. Verification of Ownership – Title Search conducted by the Secretary of State, Motor Vehicle Records Division, and, if applicable, an out-of-state motor vehicle department or agency.
4. Proof of Notifications:
 - Notices by Certified Mail – Original or copy of the actual letters mailed certified, the U.S. Post Office date stamped receipts for certified mail (PS form 3800) and signed, return receipt (PS Form 3811), together with any unopened certified letter(s) returned by the post office as undeliverable, unclaimed, etc. mailed to the owner(s) and lienholder(s).
 - Notice of Service (if Applicable) – Affidavit of Service filed with the Clerk of the Circuit Court with liens in excess of \$2,000 for unknown owners/lienholders and/or undeliverable mailings.
 - Notices by Newspaper Publication – Original or copy of the actual newspaper publication(s) published and the Certificate of Publication identifying the name of the publication and publication dates.
5. Copy of the invoice/work order reflecting the vehicle information; services rendered; date the vehicle was brought in for service; complete name, address, contact information and signature of the owner; name of authorized agent of the owner or lawful possessor thereof who brought the vehicle in consenting to service; and total amount due.
6. Appropriate title fee – \$95 for Certificate of Title, \$4 for Salvage Certificate or No-fee for Junking Certificate.
7. Appropriate sales tax form and sales tax payment payable to Illinois Department of Revenue.