



# COLE SCHOTZ

COLE, SCHOTZ, MEISEL, FORMAN & LEONARD, P.A.

A Professional Corporation

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On August 6, 2009 the Presiding Chancery Division Judge in Hudson County entered an Order requiring the discharge of a \$563,699 construction lien an architect filed against a Jersey City condominium project owned by a firm client. The Court's ruling was based on the lien claimant's failure to follow the rules for filing a construction lien on residential property. The Court held architects and contractors desiring to file a construction lien on a condo project in NJ must follow the residential rules, even where the condo includes commercial units or construction has not begun. The decision is significant because the NJ Construction Lien Law is not clear on whether it requires compliance with the residential rules on condominium projects. This statutory ambiguity has been considered so significant, the NJ Legislature is expected to consider an amendment to the NJ Construction Lien Law which would resolve this issue.