

# Information

## Effective date

August 25, 2006

## Use

State statutes provide that certain parties, such as mechanics, materialmen, laborers, contractors, subcontractors, registered land surveyors, architects, and registered professional engineers have a lien for the value of goods or services which they contribute toward the improvement of real property. These liens, referred to as mechanics liens, are valid without recording for a specified period after final completion of work or furnishing of the last item of material.

A document commonly known as the *Owner's Affidavit – Individual* (Form 630320), among other items, dissolves most unrecorded mechanics' liens. To avoid problems with unrecorded liens of this nature, SunTrust should obtain an *Owner's Affidavit* to verify that the property is not subject to mechanics' liens.

If title insurance is required for the transaction, the title company will address issues addressed in the Affidavit and the ST Owner's Affidavit is not required. If an attorney is representing the Bank with respect to a loan secured by real property, the attorney may opt to substitute another affidavit or certificate in place of the ST Owner's Affidavit. . However, if legal counsel does not represent the Bank and title insurance is not required, the Bank must obtain an *Owner's Affidavit*. The owner or owners should execute the *Owner's Affidavit* at the same time the Security Instrument (mortgage, DSD, or deed of trust) is executed.

### **Notes:**

- The *Owner's Affidavit – Individual* (Form 630320) is used when the Owner is an individual or individuals.
- The *Owner's Affidavit – Non-Individual* (Form 630321) is used when the Owner is an entity.

It is usually not necessary to record an *Owner's Affidavit*. However, the Bank's *Owner's Affidavit* is in recordable form. The Bank can record the *Owner's Affidavit* in those rare instances where it may be advisable.

## Instructions

The table below shows section names and descriptions for the items required in the *Owner's Affidavit – Individual* (Form 630320).

Section	Description
<b>Page 1</b>	
Location (Heading implied)	<i>City or county and state</i> where the Affidavit is executed. <b>Note:</b> This is completed at the time of execution.
<b>Property</b>	<i>City or county and state</i> in which the subject real property is located.
2. Excepted matters (Heading implied)	Owner must indicate if there are any matters excepted from the Affidavit.

	<b>Note:</b> No matters should be excepted from coverage of the Affidavit without the prior approval of a Bank attorney.
<b>Dated as of</b>	<i>Date</i> the Affidavit is executed.
<b>Affiant</b>	<i>Signature</i> and name, printed or typed, of each individual Owner of the subject real property.
<b>Witness</b>	The affidavit must be witnessed for recordation in Georgia or Florida and South Carolina (two witnesses are required for recordation in Florida and South Carolina).  <b>Note:</b> This requires the physical presence of a witness when the owner executes the affidavit.
<b>Page 2</b>	
<b>Acknowledgments</b>	The affidavit must be notarized.
<b>Page 3 – Exhibit A</b>	
<b>dated</b>	<i>Date</i> the Affidavit is executed.
<b>by</b>	<i>Name(s)</i> of the Owner(s) of the subject real property.
<b>Description</b>	<i>Legal description</i> of the real property.