

Sugden Examines *Wadsworth* Decision, New Risks in Filing Mechanic's Liens in *Colorado Real Estate Journal*

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Stinson LLP Partner [Ryan Sugden](#) authored an article for the *Colorado Real Estate Journal*, "Mechanic's lien filers should beware of excessive claims."

By examining a recent Colorado Court of Appeals decision in *Ralph L. Wadsworth Construction Company, LLC v Regional Rail Partners*, which centered around a dispute over delay damages on a public works project, Sugden provides insight on navigating mechanic's liens in Colorado and the decision's impact.

While mechanic's liens are key for ensuring payment in the construction industry, Colorado law prohibits filing liens for any amount exceeding the actual debt owed. Sugden says the decision in *Wadsworth* provides clarity for what constitutes an excessive lien. It serves as a warning to potential public or private lien filers to tread carefully when it comes to claiming unliquidated delay, disruption or impact damages in a lien, too. He also notes that the court's decision in *Wadsworth* may be extended to private mechanic's liens.

Sugden says under *Wadsworth*, the safest course is to exclude delay, disruption and impact damages from a public or private lien and to include only those amounts that are expressly lienable. He says when determining whether to file a lien, contractors should engage experienced counsel to ensure it is not overstated.

Sugden represents businesses in energy, commercial real estate, land use and construction disputes. He has extensive real estate and construction litigation experience, including helping clients obtain the permits needed to start a new development, defending owners and contractors in construction disputes and representing landowners after a property is developed. Sugden also represents private businesses against state and local governments when his clients have been denied their right to due process and equal

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protection of the law.

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