

**RESIDENTIAL NOTICE LETTER TO
OWNER & ORIGINAL CONTRACTOR
TO TRAP FUNDS**

PARTY SENDING NOTICE (Name & Address)

Property where improvements and/or construction is being performed by the Party Sending Notice is described as follows (the "**PROPERTY**"):
(Municipal Address)

PROPERTY OWNER (Name & Address)

DESCRIPTION OF IMPROVEMENT
This project involves the construction of the following described improvement:

ORIGINAL CONTRACTOR (Name & Address)

Amount Currently Owed
Amount Currently Unpaid: \$ _____

Month(s) Work Performed:
For all work that has not been paid, list the month(s) when that work was performed at the Property:

HIRING CONTRACTOR (Name & Address)

Description of work performed by the Party Sending Notice, or _____ Invoice Attached identifying work (**Services**):

THIS IS NOT A LIEN. NOTICE IS HEREBY PROVIDED to you that the above-identified Party Sending Notice has performed the above-described Services during the above-listed Month(s) Work Performed. This work was performed in connection with the above-referenced Description of Improvement, and performed upon the above-identified Property. The above-identified Amount Currently Owed is currently unpaid and owing for such work, including any agreed retainage.

To preserve our rights under Texas law, we are required to inform you that if this payment deficiency is not paid or settled, you may be personally liable and your property subjected to a lien unless you take the precaution of withholding funds sufficient to pay the amount due us from payments due to your original contractor.

Further, PLEASE TAKE NOTICE that the Party Sending Notice makes demand upon you for payment of the Amount Currently Owed under § 53.083, and request that you forward to us any funds held for the original contractor to pay this claim, unless the original contractor disputes this claim, as per law.

If a subcontractor or supplier who furnishes materials or performs labor for construction of improvements on your property is not paid, your property may be subject to a lien for the unpaid amount if:

- (1) After receiving notice of the unpaid claim from the claimant you fail to you withhold payment to your contractor that is sufficient to cover the unpaid claim until the dispute is resolved; or
- (2) During construction and for 30 days after completion of construction, you fail to retain 10 percent of the contract price or 10 percent of the value of the work performed by your contractor.

If you have complied with the law regarding the 10 percent retainage and you have withheld payment to the contractor sufficient to cover any written notice of claim and have paid that amount, if any, to the claimant, any lien claim filed on your property by a subcontractor or supplier, other than a person who contracted directly with you, will not be a valid lien on your property. In addition, except for the required 10 percent retainage, you are not liable to a subcontractor or supplier for any amount paid to your contractor before you received written notice of the claim.

Please contact the Party Providing Notice if you have any questions.

Signed this ____ day
of _____, 20____.

Agent for Party Providing Notice
Signed by: _____
Title: _____

PROOF OF SERVICE AFFIDAVIT

I, _____, being duly sworn, deposes and says that I am over the age of 18 years old, that this affidavit is made upon my own personal knowledge, and that on the _____ day of _____, 20____, I served the attached Residential Notice to Owner and Original Contractor To Trap Funds to the following parties at these stated addresses:

[] Property Owner

[] Original Contractor

[] Hiring Contractor

[] _____

I served the attached document:

[] By personally delivering the notice to the identified parties;

[] By First Class Certified or Registered Mail service, return receipt requested, postage prepaid.

Signed this ____ day
of _____, 20____.

Agent for Party Providing Notice
Signed by: _____
Title: _____