

Alabama Lien Law

Chapter 15 PUBLIC WAREHOUSES.

Article 2 Self-Service Storage Facilities.

Section 8-15-30 Short title. This article shall be known and may be cited as the "Self-Service Storage Act."

Section 8-15-31 Definitions.

For purposes of this article, the following words and phrases shall have the respective meanings ascribed by this section: (1) DEFAULT. The failure to perform in a timely manner any obligation or duty set forth in this article or the rental agreement.

(2) LAST KNOWN ADDRESS. That address provided by the occupant in the latest rental agreement or the address provided by the occupant in a subsequent written notice of a change of address.

(3) LEASED SPACE. The individual storage space at the self-service storage facility which is leased or rented to an occupant pursuant to a rental agreement.

(4) OCCUPANT. A person or entity, or his sublessee, successor, or assign, entitled to the use of a storage space at a self-service storage facility, under a written rental agreement with the owner, to the exclusion of others.

(5) OWNER. The owner, operator, lessor, or sublessor of a self-service storage facility, his agent, or any other person authorized by him to manage the facility or to receive rent from an occupant under a rental agreement.

(6) PERSONAL PROPERTY. Movable property not affixed to land. This term includes, but is not limited to, goods, merchandise, and household items.

(7) RENTAL AGREEMENT. Any written agreement or lease which establishes or modifies the terms, conditions, rules, or any other provisions concerning the use and occupancy at a self-service storage facility and which contains a notice stating that all articles stored under the terms of such agreement will be sold or otherwise disposed of if no payment has been received for a continuous 30-day period. Such agreement shall contain a provision directing the occupant to disclose any lienholders with an interest in property that is stored or will be stored in such self-service storage facility.

(8) SELF-SERVICE STORAGE FACILITY. Any real property designed and used for the purpose of renting or leasing individual storage space to occupants who are to have access to such facility for the purpose of storing and removing personal property. No occupant shall use a self-service storage facility for residential purposes. A self-service storage facility is not a public warehouse as used in Article 1 of this chapter. If an owner issues any warehouse receipt, bill of lading or other document of title for the personal property stored, the owner and the occupant are subject to the provisions of Article 7 of the Uniform Commercial Code, and the provisions of this article shall not apply.

Section 8-15-32 Vesting of care, control, etc., of stored property in occupant; determination of risk of loss.

Unless the rental agreement specifically provides otherwise, the exclusive care, custody, and control of any and all personal property stored in the leased space shall remain vested in the occupant; and the occupant shall bear all risks of loss or damage to such personal property.

Section 8-15-33 Lien of owner, etc., of self-service storage facility upon personal property located at facility.

Where a rental agreement, as defined in subdivision (7) of Section 8-15-31, is entered into between the owner and the occupant, the owner of a self-service storage facility and his heirs, executors, administrators, successors, and assigns shall have a lien upon all personal property located at a self-service storage facility for rent, labor, or other charges, present or future, in relation to the personal property and for expenses necessary for its preservation or expenses reasonably incurred in its sale or other disposition pursuant to this article. The lien attaches as of the date the personal property is brought to the self-service storage facility and continues so long as the owner retains possession and until the default is corrected, or a sale is conducted, or the property is otherwise disposed of to satisfy the lien. The lien provided for in this section is superior to any other lien or security interest, except for any tax lien as otherwise provided by law. Notice to perfected security interests under the Uniform Commercial Code, with the name of the occupant as debtor, is required before a sale. Where a rental agreement, as defined in subdivision (7) of Section 8-15-31, is entered into between the owner and the occupant, the owner of a self-service storage facility and his heirs, executors, administrators, successors, and assigns shall have a lien upon all personal property located at a self-service storage facility for rent, labor, or other charges, present or future, in relation to the personal property and for expenses necessary for its preservation or expenses reasonably incurred in its sale or other disposition pursuant to this article. The lien attaches as of the date the personal property is brought to the self-service storage facility and continues so long as the owner retains possession and until the default is corrected, or a sale is conducted, or the property is otherwise disposed of to satisfy the lien. The lien provided for in this section is superior to any other lien or security interest, except for any tax lien as otherwise provided by law. Notice to perfected security interests under the Uniform Commercial Code, with the name of the occupant as debtor, is required before a sale.

Section 8-15-34 Satisfaction of owner's lien.

An owner's lien as provided for a claim which has become due may be satisfied as follows:

(1) No enforcement action shall be taken by the owner until the occupant has been in default continuously for a period of 30 days.

(2) Prior to taking enforcement action pursuant to this section, the owner shall determine whether a financing statement has been filed in accordance with Title 7 concerning the property to be sold or otherwise disposed of, with the Secretary of State, in the county where the self-service storage facility is located and in the county of the occupant's last known address.

(3) After the occupant has been in default continuously for a period of 30 days, the owner may begin enforcement action if the occupant has been notified in writing. Said notice shall be delivered in person or sent by certified or registered mail to the last known address of the occupant. Any lienholder with an interest in the property to be sold or otherwise disposed of, of whom the owner has knowledge either through the disclosure provision on the rental agreement or through finding a validly filed financing statement in the Secretary of State's office, shall be included in the notice process as provided in this section.

(4) The owner shall have the right to deny the occupant access to the leased space and the owner may enter and/or remove the personal property from the leased space to other suitable storage space pending its sale or other disposition.

(5) The notice required by this section shall include:

a. An itemized statement of the owner's claim showing the sum due at the time of the notice and the date when the sum became due;

b. A brief and general description of the personal property subject to the lien. Such description shall be reasonably adequate to permit the person notified to identify such property; except that any container including, but not limited to, a trunk, valise, or box that is locked, fastened, sealed, or tied in a manner which deters immediate access to its contents may be described as such without describing its contents;

c. A notification of denial of access to the personal property, if such denial is permitted under the terms of the rental agreement, which notification shall provide the name, street address, and telephone number of the owner or his designated agent whom the occupant may contact to respond to such notification;

d. A demand for payment within a specified time, not less than 15 days after delivery of the notice;

e. A conspicuous statement that, unless the claim is paid within the time stated in the notice, the personal property will be advertised for sale or other disposition and will be sold or otherwise disposed of at a specified time and place.

(6) Any notice made pursuant to this section shall be presumed delivered when it is deposited with the United States postal service and properly addressed with postage prepaid.

(7) After the expiration of the time given in the notice, an advertisement of the sale or other disposition shall be published once a week for two consecutive weeks in a newspaper of general circulation in the county where the self-service storage facility is located. The advertisement shall include: a. A brief and general description of the personal property reasonably adequate to permit its identification as provided in paragraph (5)b. of this section; the address of the self-service storage facility and the number, if any, of the space where the personal property is located; and the name of the occupant and his last known address; b. The time, place, and manner of the sale or other disposition. The sale or other disposition shall take place not sooner than 15 days after the first publication.

(8) If there is no newspaper of general circulation in the county where the self-service storage facility is located, the advertisement shall be posted at least 10 days before the date of the sale or other disposition in not less than six conspicuous places in the neighborhood where the self-service storage facility is located.

(9) Any sale or other disposition of the personal property shall conform to the terms of the notification as provided for in this section.

(10) Any sale or other disposition of the personal property shall be held at the self-service storage facility or at the nearest suitable place where the personal property is held or stored. The property may be sold singly, in lots or as a whole. Bids may be sealed or open.

(11) Before any sale or other disposition of personal property pursuant to this section, the occupant may pay the amount necessary to satisfy the lien and the reasonable expenses incurred under this section and thereby redeem the personal property. Upon receipt of such payment, the owner shall return the personal property, and thereafter the owner shall have no liability to any person with respect to such personal property.

(12) A purchaser in good faith of the personal property sold to satisfy a lien as provided in this article takes the property free of any rights of persons against whom the lien was valid, despite noncompliance by the owner with the requirements of this section.

(13) In the event of a sale under this section, the owner may satisfy his lien from the proceeds of the sale. The lien rights of secured lienholder(s) are automatically transferred to the remaining proceeds of the sale. If the sale is made in good faith and is conducted in a commercially reasonable manner, the owner shall not be subject to any liability for a deficiency if the amount realized at sale does not satisfy any secured lien, but shall hold the balance, if any, for delivery to the occupant, lienholder, or other person in interest. If the occupant, lienholder, or other person in interest does not claim the balance of the proceeds within three years of the date of sale, it shall become the property of the owner without further recourse by the occupant, lienholder, or other person in interest.

(14) If the requirements of this article are not satisfied, if the sale of the personal property is not in conformity with the notice of sale, or if there is a willful violation of this article, nothing in this section affects the rights and liabilities of the owner, occupant, or any other person.

Section 8-15-35 Posting of notice as to effect of failure to pay charges.

Each owner acting pursuant to this article shall keep posted in a prominent place in his office at all times a notice which shall read as follows: "All articles stored by a rental agreement, and charges not having been paid for 30 days, will be sold or otherwise disposed of to pay charges."

Section 8-15-36 Rights provided by article as additional to other rights allowed by law.

Nothing in this article shall be construed as in any manner impairing or affecting the right of the parties to create additional rights, duties, and obligations in and by virtue of the rental agreement. The rights provided by this article shall be in addition to all other rights allowed by law to a creditor against his debtor.

Section 8-15-37 Effect of other laws governing rights of creditors and landlords against debtors and tenants.

The rights provided by this article shall be in addition to all other rights allowed by law to a creditor against his debtor and by a landlord against his tenant.

Section 8-15-38 Applicability of article.

The provisions of this article shall apply to all rental agreements entered into or extended or renewed after May 27, 1981.