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FREE GUIDE

CALIFORNIA HOMEOWNERS

Got a notice of default in California? What it means and what happens next

Behind on payments. Plain English, every fact sourced and dated.

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Questions? Talk with Fadi.
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Got a notice of default in California? What it means and what happens next

From Mr. Cash Offer, with Fadi Haweileh, CA DRE #02002344 · Facts checked November 23, 2026 · Online: mrcashoffers.com/guides/notice-of-default-california/

QUICK ANSWER

A notice of default means your lender has recorded a public notice that you're behind and that it has chosen to sell the home if the loan isn't brought current. It is not the sale. By law, the earliest sale date is three months and 20 days after the notice is recorded, and you can generally catch up until five business days before the sale date. Free help from a HUD-approved housing counselor is available now.

At a glance

Step	What the law says
Earliest sale date	3 months and 20 days after the notice of default is recorded
Before the notice	For most owner-occupied homes, the servicer must try to reach you, then wait 30 days before recording it
Notice of default recorded	A copy must be mailed to you within 10 business days
Notice of sale	Can be recorded up to 5 days before the 3 months end; posted, published and mailed at least 20 days before the sale
Catch-up deadline	Until 5 business days before the sale date

What is a notice of default?

The three numbers to know

3 months + 20 days
Earliest sale date after the notice of default is recorded

5 business days
Before the sale: the last day you can generally catch up

$0
A HUD-approved housing counselor costs nothing

It's a document the lender records with the county before it can sell the home without going to court. It names the loan, describes what you've missed, and states the lender's choice to sell. Only the holder of the loan, the trustee (the company that runs the sale), or their authorized agent may record it.

It starts with a state-required warning: "IF YOUR PROPERTY IS IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR PAYMENTS, IT MAY BE SOLD WITHOUT ANY COURT ACTION". It also says you can ask in writing for an itemization of what you owe, and that you and the lender may agree in writing to more time or a payment schedule.

What must happen before it's recorded?

For most owner-occupied homes (a first mortgage on a home with 1 to 4 units that you live in as your main home), the servicer can't record the notice until 30 days after it contacts you in person or by phone to look at your finances and options, or 30 days after it tried hard (letters and at least three calls) and couldn't reach you. Under federal rules, a servicer generally can't make the first foreclosure notice or filing until the loan is more than 120 days behind.

How long does it take after the notice is recorded?

From notice of default to sale

Simplified from the California rules in this guide. Your exact dates are on your notices.

BEFORE THE NOTICE
Servicer reaches out
For most owner-occupied homes: contact, or real tries, then 30 days

DAY 0
Notice of default recorded
The 3-month clock starts

WITHIN 10 BUSINESS DAYS
A copy is mailed to you
By registered or certified mail

ABOUT 3 MONTHS
Notice of sale can be recorded
Up to 5 days before the 3 months end

AT LEAST 20 DAYS BEFORE
Notice of sale posted, published and mailed

5 BUSINESS DAYS BEFORE
Last day to catch up (reinstate)
A postponement of more than 5 business days restarts this right

3 MONTHS + 20 DAYS, OR LATER
Earliest sale date
Postponements can push it out, up to 365 days in total

1. **The notice is mailed to you** within 10 business days, by registered or certified mail.
2. **The earliest sale date is three months and 20 days after the notice of default.** The notice of sale can be recorded up to five days before the three months end.
3. **The notice of sale goes out** at least 20 days before the sale.
4. **The sale happens, or is postponed.** Postponements can come from a court order, a bankruptcy filing, an agreement with the lender, the trustee's choice, or events outside anyone's control. The total can't pass 365 days from the date in the notice of sale. If a sale is put off at least 10 business days, you must get written notice of the new date within 5 business days.

Why does my notice say "approximately 90 days"? The required notice says no sale date may be set until "approximately 90 days" after it's recorded. That's the three-month wait. The law then adds at least 20 more days before the sale itself can happen, which is where three months and 20 days comes from.

Can I catch up and stop it?

Yes, until five business days before the sale date. This is called reinstating. You pay the past-due amounts plus allowed costs and fees, and the loan goes back to normal, as if the lender had never demanded the full balance. If a sale is postponed more than five business days, your right to reinstate comes back until five business days before the new date.

Fees are capped by law, including $100 per postponement. After the window closes, the notice says you "have only the legal right to stop the sale of your property by paying the entire amount demanded by your creditor."

Which protections apply to you?

Several key California protections apply only to a first mortgage on your main home with one to four units, for a loan you took for personal, family or household use. A rental or second home generally falls outside them. The rules also differ a little for "smaller" servicers (those that foreclosed on 175 or fewer California homes in the prior reporting year, or service seven or fewer California loans in a year). Ask your counselor which protections apply to you.

Protection	In plain words
Contact first	The servicer must reach out, or try, before recording the notice
No "dual tracking"	While a complete application for a loan modification is being reviewed, no notice of default, notice of sale or sale
One point of contact	Larger servicers must give you one person or team once you ask about alternatives
Following a plan	No foreclosure steps while you keep up with a written modification, forbearance or repayment plan
Going to court	Before the trustee's deed is recorded, you can ask a court to stop a sale over a material (serious) violation of these rules

With a larger servicer, a denied modification can be appealed within at least 30 days. If you think a servicer broke these rules, talk with an attorney or a HUD-approved counselor. This guide can't tell you whether you have a claim.

Source note: these rows come from Civil Code 2923.5, 2923.55, 2923.6, 2923.7, 2924.11, 2924.12, 2924.18 and 2924.19; smaller servicers have their own versions of several of them.

What happens after a sale?

The 15-day and 45-day windows. For one-to-four-unit homes, a trustee's sale isn't final right away if certain "eligible bidders" (such as a tenant living there or a buyer who will live there) act within 15 days, with bidding open until the 45th day. A former owner can't use this as a way to buy the home back: a buyer who will live there must swear they aren't the former owner or the owner's child, spouse or parent. This rule ends January 1, 2031 unless extended.

What you owe. After a trustee's sale, the lender can't collect the "deficiency" (the gap between what you owed and what the sale brought) on that loan. The law says "no deficiency shall be owed or collected" on that note. A guarantor (someone who signed to back the loan) is treated differently, and other loans on the same home are a separate question, so ask an attorney before assuming you owe nothing.

Moving out. The new owner must serve a 3-day written notice to quit (move out). If you stay, the new owner has to go to court, and the courts say eviction can take several weeks. Renters have their own rules.

Leftover money. If the sale brings in more than the costs and the foreclosed loan, the money goes next to any later liens, then to the owner. Within 30 days of the trustee's deed (the document that transfers the home to the sale buyer), the trustee must mail a notice about claims. Written claims must arrive within 30 days after that notice is sent, so keep opening your mail.

This guide doesn't cover credit or tax effects; ask a counselor and a tax professional.

What to do this week

1. **Call a HUD-approved housing counselor.** It's free. CFPB says to call HUD at (800) 569-4287 and enter your ZIP code to be referred to one near you.
2. **Find the dates.** Notice of default, any notice of sale, the sale date. Ask the trustee in writing for the last day you can reinstate.
3. **Ask your servicer in writing for the itemization** of the amount to reinstate.
4. **Gather your papers.** Pay stubs, bank statements, hardship letter, loan documents. A complete application matters under the dual-tracking rules.
5. **Say who can talk for you.** Give written permission for your counselor or attorney to speak with the servicer.

The free California Courts Self-Help Guide explains your rights (link below). Two state programs you may see online are closed: the California Mortgage Relief Program is "no longer offering grants," and CalAssist Mortgage Fund says "Applications are closed" as of November 3, 2026.

Watch out for

- **Anyone who charges up front.** CFPB: "If anyone tries to charge you in advance for help or guarantees that they can stop your foreclosure, they're not legitimate." California law bars paid helpers from taking pay before all promised work is done.
- **Anyone who asks for your deed, or to be paid instead of your lender.** The FTC warns that scammers may try to get you to transfer the deed to them. A deed transfer doesn't end your mortgage payments, per DFPI.
- **Rent-back offers.** The California Attorney General describes schemes where owners are told they "can stay in the home as renters and buy their home back later."
- **Thinking a complaint stops a sale.** CFPB: "Submitting a complaint won't automatically stop or delay foreclosure."
- **Signing with a buyer too fast.** California's home equity sales law (Civil Code 1695 and the sections after it) covers most buyers of a "residence in foreclosure," meaning the seller's main home, with 1 to 4 units and a recorded notice of default, and in those sales the seller can cancel the contract until midnight of the fifth business day after signing, or until 8 a.m. on the day of the foreclosure sale, whichever comes first. In those sales the law requires a completed written contract with a cancellation notice before you sign any deed. Ask an attorney how the law applies to a particular sale. Our options guide has more on Civil Code 1695.

Questions people ask

How long do I have after a notice of default?

The earliest sale date is three months and 20 days after the notice is recorded. You can generally reinstate until five business days before the sale.

Can I still sell my house?

Yes, as long as the sale closes before the foreclosure ends. Selling is one option among several; the options guide lists the rest.

Will I owe money after a foreclosure?

No deficiency can be owed or collected on the foreclosed note. Guarantors and other loans can differ, so ask an attorney.



Questions about your situation?

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Sources

Checked on November 23, 2026. California statutes are on the Legislature's site (https://leginfo.legislature.ca.gov/faces/codes.xhtml (https://leginfo.legislature.ca.gov/faces/codes.xhtml); search by code and section number).

- Civil Code 2923.5, 2923.55, 2923.6, 2923.7: contact, dual tracking and single point of contact
- Civil Code 2924, 2924b, 2924c, 2924f, 2924g, 2924h: notice of default, mailing, reinstatement, notice of sale, postponements, sale
- Civil Code 2924j, 2924k: leftover sale money, notice and claims
- Civil Code 2924.11, 2924.12, 2924.15, 2924.18, 2924.19: plans, court action, who is covered, smaller servicers
- Civil Code 2924m: bidding window after a sale
- Civil Code 2944.6, 2944.7, 2945.4: foreclosure and loan modification helpers
- Civil Code 1695 and following: home equity sales contracts
- Code of Civil Procedure 580d: no deficiency after a trustee's sale
- CFPB, Regulation X, 12 CFR 1024.39 and 1024.41: https://www.consumerfinance.gov/rules-policy/regulations/1024/39/ (https://www.consumerfinance.gov/rules-policy/regulations/1024/39/) and https://www.consumerfinance.gov/rules-policy/regulations/1024/41/ (https://www.consumerfinance.gov/rules-policy/regulations/1024/41/)
- CFPB, "Mortgage help" (https://www.consumerfinance.gov/mortgagehelp/)
- California Courts Self-Help Guide, "Your rights in a nonjudicial foreclosure" (https://selfhelp.courts.ca.gov/foreclosures/nonjudicial)
- FTC, "Mortgage Relief Scams" (https://consumer.ftc.gov/articles/mortgage-relief-scams)
- California Attorney General, "Foreclosure Rescue Scams" (https://oag.ca.gov/node/22264)
- DFPI alert (2014) (https://dfpi.ca.gov/alert/mortgage-modification-and-foreclosure-scams-alert/)
- California Mortgage Relief Program (https://camortgagerelief.org/)
- CalAssist Mortgage Fund (CalHFA) (https://www.calhfa.ca.gov/CalAssist/)

This guide explains general California rules. It isn't legal or tax advice. Talk with an attorney, a tax professional or a HUD-approved housing counselor about your situation.