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FREE GUIDE

CALIFORNIA HOMEOWNERS

What is a lien on a house, and can you sell a house with a lien in California?

Costs and the money. Plain English, every fact sourced and dated.

INSIDE

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Questions? Talk with Fadi.
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What is a lien on a house, and can you sell a house with a lien in California?

From Mr. Cash Offer, with Fadi Haweileh, CA DRE #02002344 · Facts checked November 24, 2026 · Online: mrcashoffers.com/guides/selling-a-house-with-a-lien-california/

QUICK ANSWER

Yes. In California you can sell a house that has a lien on it. A lien is a legal claim on the property for a debt. Liens can be paid off from the sale money at closing, then released. If the sale won't bring in enough to pay every lien, there are extra steps: a short sale needs the lender's approval, and the IRS and FTB have their own release steps.

At a glance

Step	What happens
Find the liens	The title company's preliminary report lists them; the county recorder holds the recorded papers
Get payoff amounts	Your lender must send a payoff statement within 21 days of a written request
Closing	Escrow can pay the liens from your sale money (common practice, not a state rule)
Releases	Each lienholder releases its lien, recorded with the county
Not enough money	A short sale needs the lender's approval; the IRS and FTB have their own release steps

What is a lien?

The Department of Real Estate defines a lien as "a charge imposed on property and made security for the payment of a monetary claim." The California Courts put it more simply: "A lien is like a public mark put on property that shows up in government files."

Some liens you agree to, like a home loan. Others are put on by law, like a lien for overdue taxes.

What kinds of liens are common?

Common liens on a California home

Each lienholder releases its own lien, recorded with the county. Your preliminary report lists what's on your home.

Loans you agreed to

- Mortgage or deed of trust
- Cleared by a recorded reconveyance after payoff

Unpaid property bills

- Property taxes: ahead of any mortgage
- HOA dues: a lien once a notice of delinquent assessment is recorded
- Mechanic's lien: must be recorded within 90 days of completion (earlier after a notice of completion), and sued on within 90 days after recording

Other debts

- Court judgment: once an abstract is recorded; 10 years unless paid, released or renewed
- IRS or FTB tax lien
- Past-due child support

Mortgages and deeds of trust. Your home loan is a lien. After it's paid off, the lender must send the trustee the papers to clear it within 30 calendar days, and the trustee must record the "reconveyance" within 21 calendar days after getting them.

Property tax liens. Unpaid property taxes are a lien on the home, and the DRE says tax and assessment liens come ahead of any mortgage, whatever their date. Our property tax guide covers the dates and penalties.

Judgment liens. Someone who wins a money judgment against you can record an "abstract of judgment" with the county recorder. That creates a lien on your real estate in that county, including property you get later. It lasts 10 years from the date the judgment was entered, unless it's paid, released or renewed.

Mechanic's liens. Contractors, subs, suppliers, laborers and design professionals who did authorized work can claim a lien. The deadlines are short:

- A direct contractor must record its claim after finishing its contract and before the earlier of 90 days after the work of improvement is completed, or 60 days after the owner records a notice of completion or cessation.
- Everyone else (subs, suppliers, laborers) must record after they stop working and before the earlier of 90 days after completion, or 30 days after a notice of completion or cessation is recorded.
- The claimant must sue within 90 days after recording, or the lien "expires and is unenforceable" (unless a recorded credit extension applies). Then the owner can ask a court to release the property.

HOA assessment liens. Unpaid HOA dues, plus collection costs, late charges and interest, become a lien once the association records a notice of delinquent assessment. An HOA can't foreclose on assessments under $1,800 (not counting accelerated assessments, late charges, fees, collection costs, attorney's fees or interest) unless they're more than 12 months late. After you pay what the notice lists, the HOA must record a release within 21 days.

IRS federal tax liens. The IRS calls it "the government's legal claim against your property when you neglect or fail to pay a tax debt."

California FTB tax liens. When you owe state income tax, the Franchise Tax Board has a lien automatically. If you don't respond or pay, it may record a Notice of State Tax Lien with the county. The FTB says it's effective for at least 10 years (may be extended) and may keep you from selling or refinancing while it's on record.

Child support liens. California Child Support Services says agencies must file property liens against parents with past-due support, and the title company must check with it when that parent sells or refinances.

How do I find out if there's a lien on my house?

When you sell, the title company prepares a **preliminary report**. Under California law it's the title company's offer to insure, listing "exceptions" (the liens and other items it won't cover), and not a promise about the condition of title.

Liens are recorded with the **county recorder**. Counties differ: Los Angeles County, for example, doesn't offer its real estate records online. Its recorder says you can get a copy of a lien to see who placed it, then ask them for a release.

How do liens get paid at closing?

How a lien usually gets paid at closing

IRS discharge and FTB partial release apply when the sale won't pay the whole tax debt.

FIRST
Preliminary report
Shows the recorded liens on the home

UP TO 21 DAYS
Payoff statements
Your lender must send one within 21 days of a written request

BEFORE CLOSING
Tax liens
IRS discharge: apply 45+ days ahead. FTB partial release: 21+ business days ahead

CLOSING
Escrow can pay
From your sale money (common practice, not a state rule)

AFTER

Releases recorded

IRS: within 30 days of full payment. FTB: county can take 3+ months

1. **The preliminary report** shows the recorded liens.
2. **Escrow asks each lienholder for a payoff.** On a written request, your lender must send a payoff demand statement within 21 days, showing what it takes to pay the loan in full. It can charge up to $30 for each required statement (not for FHA or VA loans).
3. **Special payoff steps for some liens.** The FTB says your escrow, title or mortgage company "should help resolve your lien(s) during escrow," using its eDemand payoff request. For an IRS lien, the IRS lien line (800-913-6050) gives payoff amounts, and the IRS releases its lien within 30 days after full payment.
4. **At closing,** escrow can pay the liens from your sale money (common practice, not a state rule). The FTB says your escrow, title or mortgage company should help resolve its liens during escrow. Child Support Services says past-due support is settled after the home's own debts and expenses are paid.
5. **Releases get recorded.** The FTB releases after it gets payment, and says the county can take at least 3 months to record it.

IRS certificate of discharge. If the sale won't pay the whole IRS debt, a certificate of discharge can remove the federal lien from that one property. IRS Publication 783 explains how to apply on Form 14135, at least 45 days before the date you need it. Some discharges require a payment; one applies when the IRS's interest "has no value" because debts ahead of it are more than the home's value or sale price.

What if the sale won't cover all the liens?

Then the people owed money have to agree. A short sale is selling for less than you owe on the mortgage, and the FTC says the servicer or lender must approve it.

For state tax liens, the FTB may give a **partial release** that frees only this property from its lien. It asks for the request at least 21 business days before closing, wants a current short sale approval letter from your lender in a short sale, and checks that the home is selling at or near fair market value. Call its Lien Program first at 916-845-4350.

Talk with a tax professional, a HUD-approved housing counselor or an attorney about your situation before you agree to a short sale. Our options guide covers short sales alongside other choices.

What to do this week

1. **Ask for a preliminary report** through your escrow or title company, or pull the recorded papers from your county recorder.
2. **Make a list** of every lien: who holds it, the amount, and the phone number on the notice.
3. **Ask your lender in writing for a payoff demand statement.**
4. **For tax liens, call the agency:** IRS lien line 800-913-6050; FTB Lien Program 916-845-4350.
5. **Compare** the total to the likely sale price, minus the costs in our cost to sell guide.

Watch out for

- **Paying a stranger to "remove" a lien.** Releases come from whoever holds the lien and get recorded with the county. The IRS gives payoff amounts free and releases its lien within 30 days after full payment.
- **Tax debt "relief" companies.** The IRS warns that "'OIC mills' often overpromise results and charge high fees to taxpayers who don't qualify."
- **Promises to wipe liens off your credit.** The FTC: "No one promising to repair your credit can legally remove information if it's both accurate and current." It also says: "It's illegal for credit repair companies to lie about what they can do for you, or charge you before they help you."
- **Upfront fees for mortgage "relief."** The FTC warns: "Scammers will demand payment upfront, before you get any services."
- **A lien that isn't yours.** The FTB says name mix-ups happen. Get a copy of the recorded lien from the county and give it to your title company.

Questions people ask

Who pays the lien when a house is sold?

For liens against the seller, escrow can pay the liens from your sale money (common practice, not a state rule). The FTB says your escrow, title or mortgage company should help resolve its liens during escrow.

How long does a judgment lien last in California?

10 years from the date the judgment was entered, unless it's paid, released or renewed.

How long does a mechanic's lien last?

The claimant must sue within 90 days after recording it (unless a recorded credit extension applies), or the lien expires and can't be enforced.

Does a child support lien expire?

Not while the support debt is owed, according to California Child Support Services.



Questions about your situation?

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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.