

INTERMEDIATE · LESSON 5 · 7 MIN READ

Evaluating Lien Viability

How to triage a potential lien — before spending time and money on a filing that won't collect.

OVERVIEW

Not every lien is worth filing. Viability is a function of timing, documentation, debtor strength, and property equity.

Triage saves cost and protects credibility.

KEY CONCEPTS

- Time remaining vs. statutory deadline
- Documentation strength
- Debtor solvency and property equity
- Likelihood of priority contest

COMMON MISTAKES

- Filing on properties with no equity above senior secured debt.
- Filing on a debtor in active bankruptcy without a stay analysis.

PRACTICAL EXAMPLES

TRIAGE WIN

A creditor scores 6 potential liens, files on the 3 with strong documentation and clear equity, and writes off the other 3. Resources stay focused.