

FUNDAMENTALS · LESSON 5 · 6 MIN READ

Judgment Liens

How a money judgment becomes a lien on the debtor's real property — and what that actually does for recovery.

OVERVIEW

A judgment lien arises after a creditor obtains a money judgment and properly records or docketed it in the county where the debtor owns real property.

It does not, by itself, force payment. It positions the creditor for payment when the property is sold or refinanced.

KEY CONCEPTS

- Domestication of out-of-state judgments
- Lien recording vs. abstract of judgment
- Duration and renewal (varies by state, often 5–10 years)
- Homestead exemptions and other carve-outs

COMMON MISTAKES

- Letting a judgment go stale without renewal.
- Recording in the wrong county.
- Assuming a lien guarantees payment without an enforcement plan.

PRACTICAL EXAMPLES

QUIET RECOVERY

A creditor records a judgment lien and does nothing else. Three years later, the debtor refinances. Title cannot close until the lien is paid. The creditor is paid in full at closing.