

10 Reasons YOU Should File Bankruptcy – Part 1

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Every debtor has his reasons for filing for [bankruptcy protection](#), but they all revolve around relieving financial stress. Today and tomorrow's blogs will focus on some of the top 10 reasons people file a [Chapter 7 or Chapter 13 case](#).

- 1. Past due mortgage payments.** With the economy being on a downturn, many people have fallen behind on their mortgage payments. Once you miss one or two of these large payments, it is difficult to get caught -up. A Chapter 13 bankruptcy may provide a way to save your home if your mortgage payments are in arrears. Under this chapter, you can pay back missed payments stretched out over 36 – 60 months, interest and penalty free.
- 2. Maxed out credit cards.** While some people are irresponsible and go on a spending spree, many people are paying for their basic living expenses with their credit cards. High interest rates often make paying off past due credit card bills extremely difficult. In a Chapter 7 bankruptcy, credit card debt is considered unsecured debt that can be discharged.
- 3. Divorce.** A divorce typically increases your debt load while decreasing your available income. Individuals often seek bankruptcy protection in order to lessen their portion of the marital debt.
- 4. Unexpected events.** Often consumers are making ends meet until an unexpected event such as a major illness or loss of job occurs. If your inability to pay your bills lasts for an extended period of time, bankruptcy is generally the answer.
- 5. Foreclosure is scheduled.** Individuals often file for bankruptcy protection in order to stop or at least delay a foreclosure action.

If any of the above events is occurring in your life, contact [Michael Koplen](#) to discuss how filing a bankruptcy case could benefit you.

If you are interested in learning how filing a Chapter 7 or Chapter 13 bankruptcy could benefit you, contact [The Koplen Law Firm](#). Bankruptcy is designed to give people who are in financial difficulty a “fresh start.” Thus, if your debts are causing you undue stress, you should call us at [\(845\) 623-7070](tel:8456237070) for a consultation to discuss whether bankruptcy is the right option for you. Our offices are located in New City and New York City, New York.