

## Bankruptcy is a last resort. Do not believe it!

You often read or hear that bankruptcy is a last resort for people with financial problems and should be avoided if at all possible. **If you follow that advice, you could cost yourself a lot of money** and miss out on many benefits of a Fresh Start that our congress provided with the bankruptcy laws.

**How do I know this? I see it happen with my clients far too often.** They're avoided filing bankruptcy for a long time, then when they finally see that they have to do that, **they no longer have the money and other things they could have kept if they had filed bankruptcy sooner.**

Here are a few possible results of treating bankruptcy as a last resort...

- **Garnishment of your wages.** Your creditors can sue you, get a judgment, and garnish your wages. Filing bankruptcy stops all that.
- **No money left in your retirement account.** When you take money out of your retirement account to pay debts that would be eliminated in your bankruptcy (like credit cards), you're spending money you could have kept after filing bankruptcy. Money in retirement accounts is almost always protected from your creditors during bankruptcy.
- **No money left for a reserve** or even to pay the attorney fees for your bankruptcy. In California, if you don't have equity in a home (own a home worth more than you owe on it), then you can protect and keep approximately \$27,000 worth of money and investments (as well as many other things) during bankruptcy.

**That's just scratching the surface** of reasons to consider and plan for bankruptcy sooner rather than later. Read on to learn more.

**Bankruptcy, we don't want to do that!**

**Save your assets! Don't wait too long.**

**Can bankruptcy reduce your mortgage payments?**

**Can bankruptcy save my house from foreclosure?**

**Are you paying off credit cards with your retirement funds or home equity?**

**Can I lower my house payments by filing bankruptcy?**

**My house is underwater and I'm behind in my mortgage payments. Is bankruptcy a good option?**

**Are you too proud to consider bankruptcy?**

**The Case for Bankruptcy (Newsweek)**

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