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REPAIRING YOUR CREDIT AFTER BANKRUPTCY: Part Four

Now that you have received your discharge, this article discusses post bankruptcy mistakes that can continue to affect your credit score and how to avoid negative impact.

Pay all obligations on time: Even though you've filed bankruptcy, to immediately begin to rebuild your credit, pay your bills on time stay current on your obligations. If you need to find a second job or take on a room mate, make that decision prior to filing so that you provide enough time to reduce your expenses or find a roommate.

Absolutely No PayDay Loans: Now that you have discharged the obligations, **DO NOT APPLY FOR NEW PAYDAY LOANS.** Don't be tempted to feel that these predatory lenders are your only option. Review your budget and cut out all fat or unnecessary expenses.

Avoid Credit Repair Scams: After filing bankruptcy, you should have a recent copy of your credit report along with all debts that have been discharged. You may contact the credit reporting agencies directly to address errors in your credit report. It is not necessary to obtain the services of a credit repair agency. In many states, credit repair groups have been accused of improper and sometimes fraudulent behavior. If you obtained your report from Credit Infonet it will contain your current credit score.

Monitor Your Budget: During your bankruptcy, you were asked to prepare a budget on Schedule J of your documents. Review your budget monthly to determine if you need to make adjustments. Move quickly to cut expenses where needed.

Be Patient: Fixing a credit score requires time, patience and persistence. It doesn't happen over night. Depending on the actions you take, it may take several months to improve your score significantly. It also depends a lot on your past credit history, so there's no way I can give you any estimates for reaching your goals. For tips on the fastest way to increase your credit score, view this video, <http://bit.ly/c2IXO2>.

Join a Credit Union: A credit union is more likely to provide you with a loan rather than a traditional bank. Credit unions have the option of taking the loan payments directly out of your check.

To register for an upcoming workshop, go to www.4realdirection.com, email, recept1@4realdirection.com or call Denise Brown's Legal Direction, 502.587.0331. Providing Balanced Counsel to individuals, families and businesses throughout Kentucky and Southern Indiana in bankruptcy and other debt relief options.