

Understanding the Process of Filing for Bankruptcy

If you are considering filing for bankruptcy and are seeking legal aid and advice, our Southfield, MI bankruptcy lawyer can help you. We understand the gravity of the decision to file for bankruptcy and the importance of fully understanding your options and their implications when doing so. Our team will consult with you on your situation, offer advice on the best steps to take and which type of bankruptcy to file for, and assist you with the filing process.

Filing for bankruptcy can be a daunting process, but with the right legal assistance, it can be a crucial step towards a more free financial future. To discuss your case and discover how we can help you, contact our team at [CLIENT FIRM NAME] today.

Chapter 7 Bankruptcy

Chapter 7 bankruptcy, also known as “liquidation bankruptcy” or “straight bankruptcy,” is a form of bankruptcy for people who cannot pay their debt to their creditors. This may include credit card debt, medical debt, and more. Chapter 7 bankruptcy is designed to eliminate debts quickly, often in three to four months. To be eligible for Chapter 7, you must pass a means test.

Typically, people with annualized monthly income that is less than that of the median household income for a household their size will qualify and pass the means test. Chapter 7 bankruptcy does not include a payment plan, and it can be a good option for you if you are looking to prevent a foreclosure on your home or repossession of your car. Our Southfield bankruptcy lawyer will consult with you and determine if you are eligible for Chapter 7 and if it is the right choice for you.

Chapter 11 Bankruptcy

Chapter 11 bankruptcy is known as “reorganization” bankruptcy. Chapter 11 is available to both business and individuals, but it is often used by businesses to restructure their debts and assets. This type of bankruptcy allows a business to continue operating under the supervision of a court during the restructuring period. A temporary stay is put in place to halt all collections and foreclosures while a reorganization plan is drafted by our bankruptcy lawyer and then reviewed by creditors. Once approved, the reorganization plan allows you to pay back your debts on more favorable terms for your business and allows you to remain in operation during difficult financial times.

Chapter 13 Bankruptcy

Chapter 13 bankruptcy is also a “reorganization” bankruptcy. It involves repaying debts through a payment plan that can span a period of three to five years. Chapter 13 bankruptcy is typically for debtors that have a enough stable income to repay their debts through the terms of the payment plan. If you can meet the terms of a repayment plan, this may be the right option for you to repay your debts while also protecting your assets. Our Southfield bankruptcy lawyer will help you work towards a repayment plan that is feasible and as favorable as possible for you.

The Benefit of Legal Representation

When considering a process as sensitive as filing for bankruptcy, making an informed decision is paramount. A bankruptcy lawyer can help you identify the right type of bankruptcy for you, assist you with drafting and filing all necessary documents, and represent you and your interests every step of the way. Whether it is coming up with a reorganization plan for your business or a payment plan for your debts, we can help you ensure that you are working towards a brighter financial future. To discuss your case, contact [CLIENT FIRM NAME] today to schedule a consultation.