

Bankruptcy Today - Does Not Mean That You 'Failed'

By Ralph Ferro

It is important to know that the stigma that went along with filing for bankruptcy in the past just is not the same today.

In the past, individuals with good credit could assume, and rightfully so, that they could always qualify financially to obtain a mortgage or to refinance. Today, that same individual may have difficulties in increasing their limits on a credit card. In the world of layoffs and downsizing, people are finding it difficult to earn the same amount of money they were earning five years ago. There seems to be no light at the end of the debt tunnel.

If individuals/families can't find a way to pay their monthly mortgage payments, what happens when coupled with that, there is an illness or life changing event in their lives. Their situation worsens and they continue to try to use their credit cards to pay "normal" expenses. The situation spirals until, it is out of control. These are hardworking families who are devastated with their situation.

Unfortunately, with the embarrassment that individuals feel, they wait too long to come to a bankruptcy lawyer. There is no embarrassment or shame in bankruptcy-instead it is a way to face their current financial situation and make a fresh start and a positive step to resolving their money problems. In addition, considering bankruptcy is a positive move to chart a new path and protect their future.

When someone comes to the realization that things are just not getting better; the creditor calls are increasing, credit lines are at the limit, and their homes could be in foreclosure, individuals should look for the advice from an experienced bankruptcy attorney.

I would suggest when interviewing a [bankruptcy attorney](#) to work with that you assure yourself that this attorney is:

Compassionate: This is a life changing event and explaining the situation to a professional who cares is important to reduce your concerns in a truthful, clear and concerned manner. You want to be able to be open and honest with your attorney without being judged and most of all be given an opportunity to explain how this situation occurred in your life.

Expert in Bankruptcy: Ask your attorney how many bankruptcy cases, he/she has handled? What is their success rate in approved bankruptcy petitions -Chapter 7, Chapter 11 and Chapter 13? Bankruptcy is a specialized area and not something that an attorney should mix with all his/her other cases. Find out if your attorney is a member of Bankruptcy Associations to be sure, he/she is committed to the specialty of bankruptcy and keeps up to date on current laws.

Personally Involved: You should want to find an attorney who handles the case personally. In other words, meets with you only on the first appointment and then passes on your case to either a paralegal or associate to handle. To assure continuity, one person should handle your case from start to finish.

Available/Reachable: There are deadlines to meet and various information to put together which you may have questions after hours or on weekends. To facilitate your case, be sure you are able to reach your attorney by email, after hours and weekend appointments are an option. Most important that he/she returns your phone calls - nothing is more frustrating is not getting a return phone call. You don't need your attorney to be a source of more stress for you.

Interested in Protecting You: Looks at your individual priorities and plans for the future. You need to decide if you would like to try to keep your house. If yes, your attorney should make this a priority in assuring that your home is not lost. If you would like to keep your car(s), be sure he/she discusses reaffirmation agreements with you and your cars are not taken creating another "problem".

In summary, no one should be embarrassed to file bankruptcy but when you do make that decision to determine if bankruptcy is right for you, set up an appointment with an attorney who specializes in bankruptcy filings. Bankruptcy should be viewed as a fresh start for the future rather than you failed. Sometimes not filing for bankruptcy protection is the failure.

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