



BANKRUPTCY

**ANOTHER ALTERNATIVE TO
SAVING THE DREAM**

THE AMERICAN DREAM

- No money down loans
- No verification of income loans
- Interest only loans
- 2nd Deeds of Trust or HELOC Loans
- Escalating property values

THE CASH COW – YOUR EQUITY

- Inflated equity – increased borrowing
- Pseudo wealth - extravagance
- Potential for wealth – investments
- Living the American Dream
- Cash poor – equity rich

THE NIGHTMARE BEGINS

- Interest only loans recast to include principal payments
- Decrease in property values
- Maxed out credit cards & 401Ks
- Economic downturn

SAVIORS vs SCAMMERS

- Loan modifications – reality vs myth
- How much does it cost for a loan mod?
- Foreclosure during the loan mod process

WAYS TO STOP A FORECLOSURE

- Bring the loan current
- Approved Loan Modification
- Deed-in-Lieu of Foreclosure
- Bankruptcy

BANKRUPTCY – A VIABLE OPTION

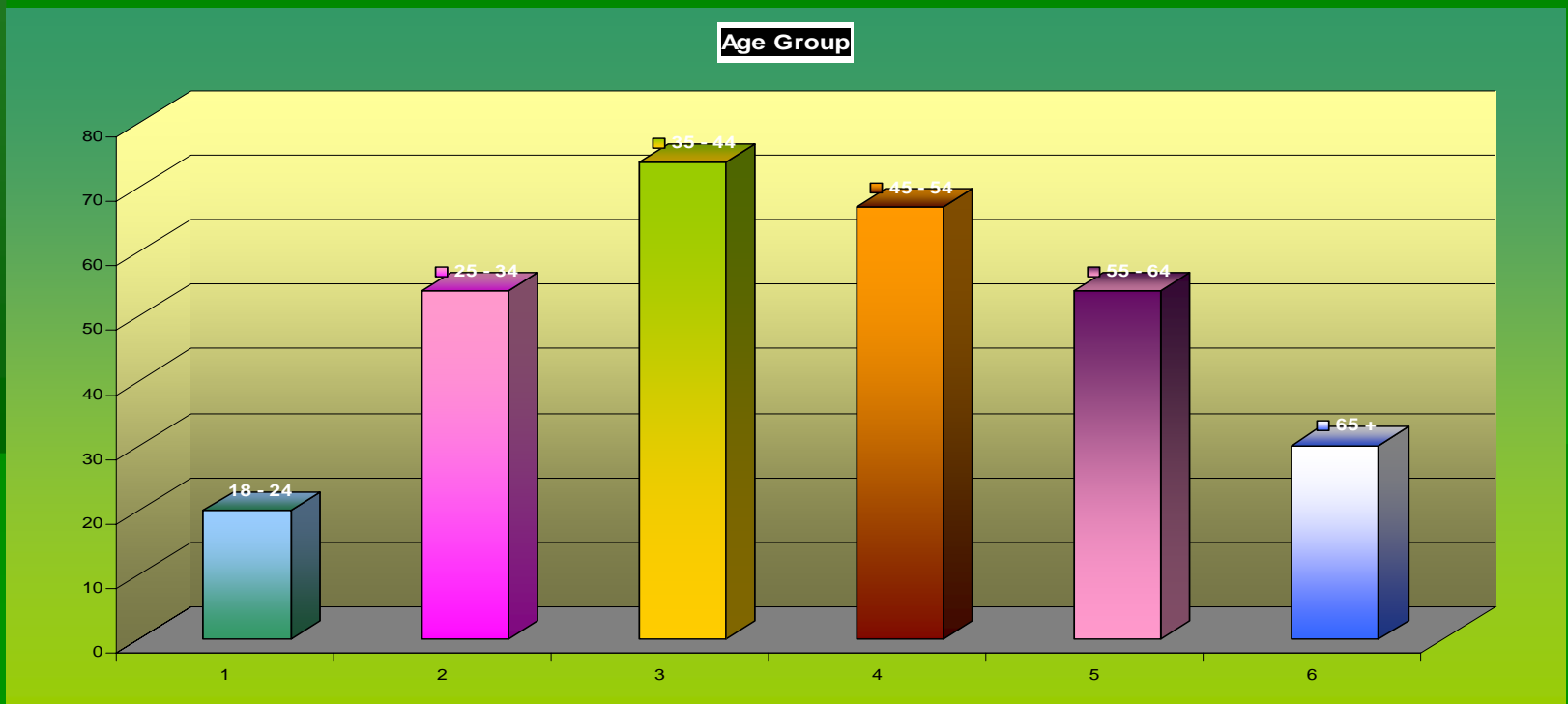
- Must meet the guidelines for a particular Chapter in Bankruptcy
- Chapter 13 or 11 is a Reorganization
- Get caught up on past due payments
- Strip 2nd Deeds of Trust and HELOCs
- Plan lasts from 3 to 5 years
- Must make monthly plan payments

BANKRUPTCY RESULTS

- Stick to the Plan and keep your property
- Come out of Bankruptcy nearly debt free
- Get a “fresh start”
- Reduce your debt through Bankruptcy

BANKRUPTCY FACTS

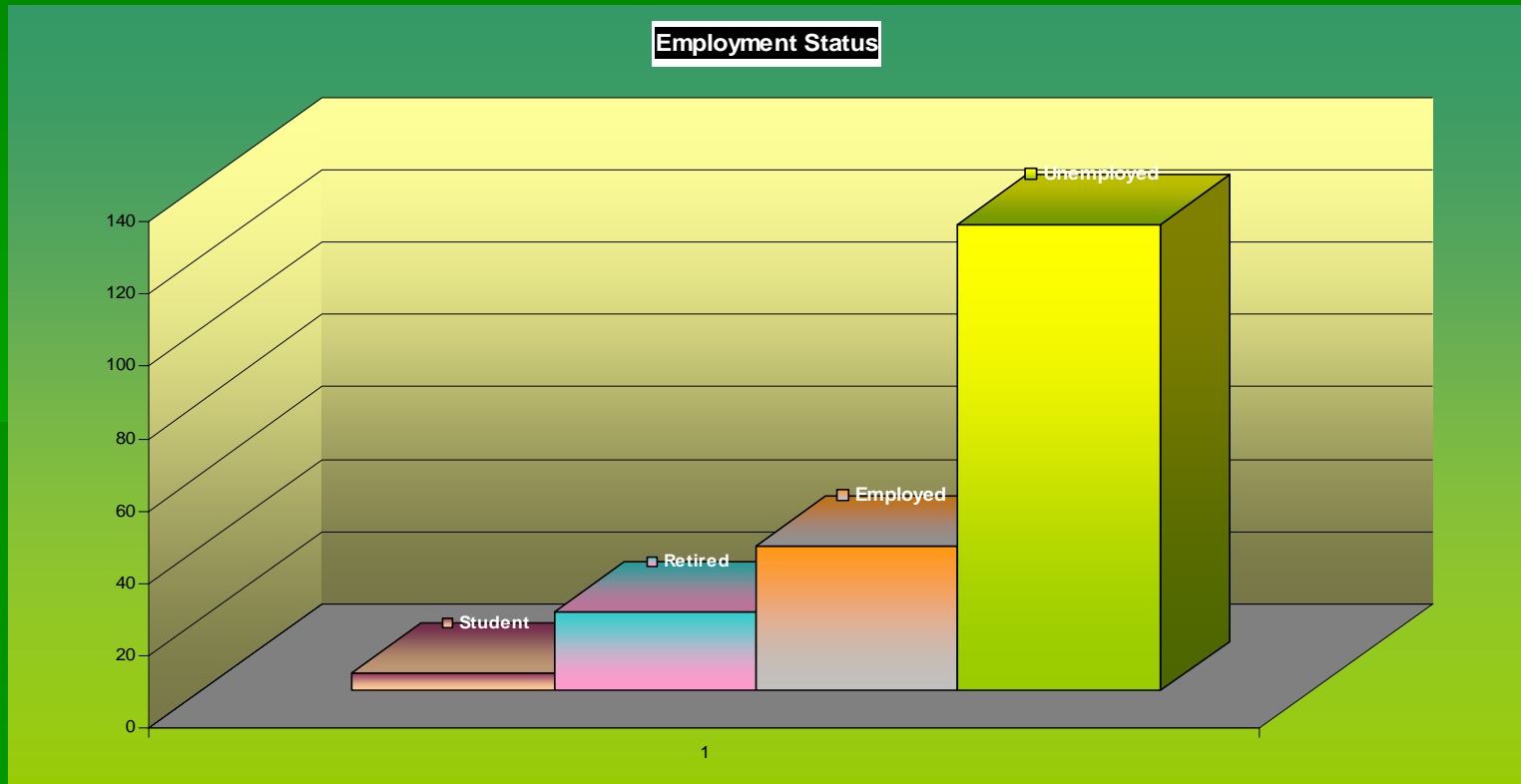
- Filings by Age Group



Source: Institute for Financial Literacy

BANKRUPTCY FACTS

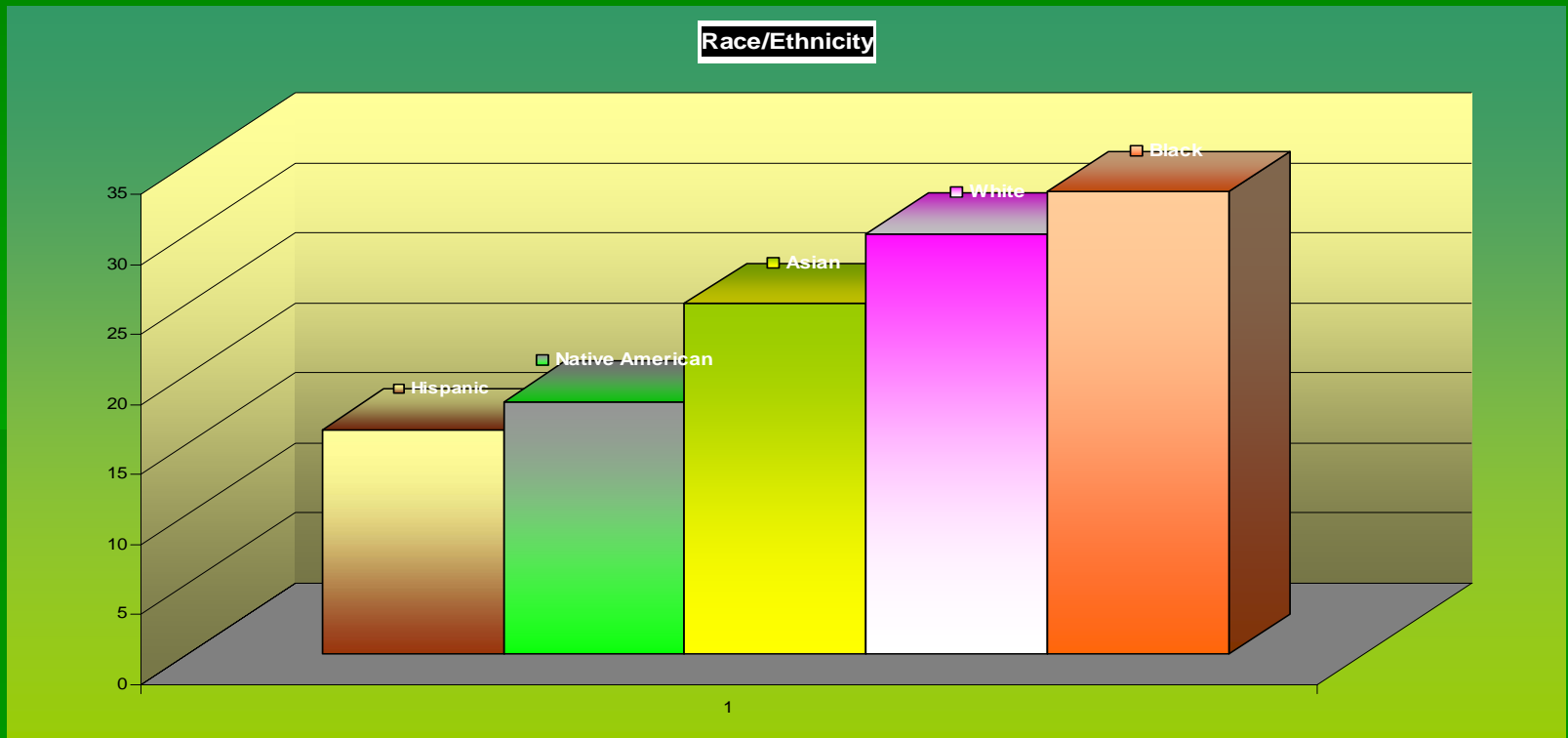
- Filings by Employment Status



Source: Institute for Financial Literacy

BANKRUPTCY FACTS

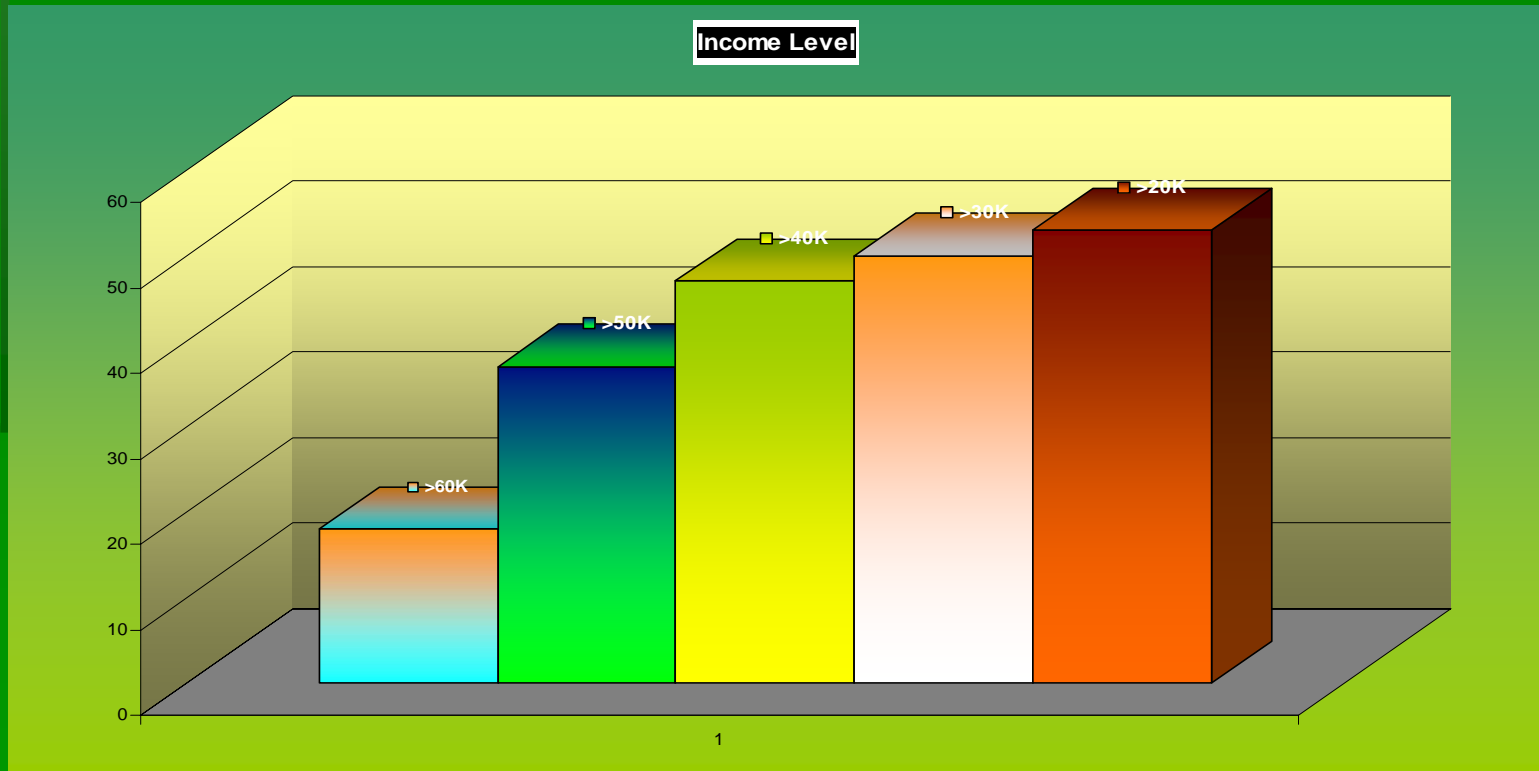
- Filings by Race/Ethnicity



Source: Institute of Financial Literacy

BANKRUPTCY FACTS

- Filings by Income Levels



Source: Institute of Financial Literacy

BANKRUPTCY CONCLUSION

- Is Bankruptcy right for everyone? NO
- Can Bankruptcy Stop a Foreclosure? YES
- Is Bankruptcy worst than a Foreclosure? NO
- Can I get credit after a Bankruptcy? YES
- Can I get a Loan Mod in Bankruptcy ? YES
- How does Bankruptcy work? CALL US!

BANKRUPTCY CONCLUSION

Presented to you by Henri E. Norris, Esq., of the
Norris Law Firm.

Helping Save the American Dream!