

## **Debtor's Statement of Intent**

When you file for Chapter 7 bankruptcy, you must file a statement of intent. Your statement of intent tells the courts and your creditors how you plan to deal with any secured debts you may have. A secured debt is a form of debt where your creditors can legally repossess your personal or real property (or secured property) as collateral. Some examples of secured debts include car payments and mortgages.

### **Failure to Attend to Secured Properties during Bankruptcy**

You must file a statement of intent within 30 days of your first creditors meeting.

In addition, you must either finish payments on your secured property or reaffirm the debt on your secured property within 45 days. When you reaffirm your debt, you choose to continue payment on your debt after you file for bankruptcy.

If you have not finished paying your secured debts or reaffirmed your secured debts within 45 days, the courts will terminate your automatic stay as to the property securing the particular secured debt. The automatic stay is a federal court order that stops all collection proceedings against you. Creditors have to stop their foreclosure proceedings, stop any pending lawsuits against you, and stop garnishing your wages.

If the automatic stay is terminated, creditors will regain their ability to pursue their right to repossess your property that secures the debt.

### **Conclusion**

You will likely want to keep your home or vehicle after you file for bankruptcy. In order to do this, you will need to file a statement of intent in a timely manner. Reaffirmation requirements vary depending on which Federal Bankruptcy Court handles the petition. In the Western District of Washington State Bankruptcy Court, reaffirmation is not necessary (and may actually be a bad idea given the Court will not allow an unrepresented pro se petitioner to do so without the Judge's order and a consultation with an attorney to explain the serious negative consequences) in order for you to keep your collateralized possessions. The most important thing you can do to

keep the property that is collateral for a loan is to stay current on the payments. Failing to do so will cause the Creditor to repossess or foreclose on the collateral, seeking a lifting of the automatic stay where necessary. Amicus Curia would be happy to assist you through the entire Bankruptcy process.