

# How to File for Bankruptcy and Keep Your Car

- Filing for bankruptcy can be daunting, especially with a car loan.
- Learn how to navigate bankruptcy while retaining your vehicle.

## Chapter 7 Bankruptcy and Car Loan:

- Options include surrendering, reaffirming, or redeeming the car.
- Surrendering avoids debt but loses the car, while reaffirming or redeeming retains ownership with financial obligations.

## Chapter 13 Bankruptcy and Car Loan:

- Offers more options to retain the car, incorporating arrears into a repayment plan.
- Reduces interest rates and loan balances, but requires commitment to a payment plan.

## Bankruptcy Exemption for Car:

- Utilize motor vehicle or wildcard exemptions to protect car equity.
- In Chapter 7, exemption must cover full equity; Chapter 13 allows retention with repayment.

## Reaffirmation Agreement for Car Loan:

- Legally commits to continue car loan payments post-bankruptcy.
- Allows car retention but entails risks and responsibilities.

## Redemption of Car Loan in Bankruptcy:

- Involves assessing car value, negotiating with lender, and court approval.
- Requires timely payment of redemption amount to release car lien and obtain title.