

## **Lien Stripping Is A Powerful Tool In Chapter 13**

At Ozment Law, we know how important it is to give you a fresh financial start. Lien stripping is a tool we can use to help you keep property such as your home or car while eliminating a significant amount of debt.

Over the past 25 years, attorney Drake Ozment has handled thousands of bankruptcy cases in Florida. He not only understands the power of lien stripping, he has mastered the ability to use it effectively.

### **What Is Lien Stripping And Why Is It Beneficial?**

A lien is a notice of a security interest in property. Creditors can attach liens to your home or your vehicle when you take out a loan or line of credit, or fail to pay for services rendered. The lien encumbers the property and gives the creditor a right to repayment when it is sold.

When you [file for Chapter 13 bankruptcy](#), your debts are given a priority status. Creditors with secured debts are generally given a higher priority. Repayment amounts for unsecured debts are often much less than the outstanding balance and the debt can be discharged upon successful completion of the repayment plan.

Lien stripping is essentially asking the court to eliminate the creditor's right to collateral and reclassify secured debts as unsecured debts. A very common example is when you have a second mortgage on an underwater home. If the home is worth \$100,000 but you still owe \$120,000 on the first mortgage, we can strip the second mortgage, for whatever the amount, since there is no equity for the mortgage to attach, rendering it unsecured.

With your cars, you might owe \$20,000 on a vehicle which is only worth \$10,000. Under certain court guidelines, you might only pay \$10,000 as secured, and the remaining \$10,000 will drop to an unsecured status and simply be paid like other unsecured creditors such as credit cards or medical bills.

While this might sound simple, it is not. Lien stripping only works when it is done properly, which is why the experience of your bankruptcy lawyer is so crucial.

### **Rely On Our Experience | Learn More In A Free Initial Consultation**

Experience like our attorney's speaks for itself, but we still encourage you to make your own decision without obligation. Schedule your free initial consultation with our attorney by calling our offices in West Palm Beach and Port St. Lucie at 561-328-0726. You can also [complete a confidential form online](#), and we will contact you. *Se habla español tambien.*

We are a debt relief agency. We help people file for bankruptcy relief under the Bankruptcy Code when necessary. WE WANT TO MAKE YOUR FINANCIAL LIFE BETTER.