

## How Long Does Bankruptcy Affect your Credit?

Written by Alex

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A lot of people think that if you file a Chapter 7 Bankruptcy that it will automatically ruin your credit for 7 years. This is not true. Generally, a Chapter 7 will only affect your credit for 1 year and after that, if you are doing what you need to do you can be able to get mortgages or loans and things of that nature.

You will still have to re-establish your credit and for a lot of people filing for Bankruptcy you will be able to have a much better credit after a year or so then if you did not based on the debt ratio that you may have, because you will no longer have any of the sensitive debt, but not an immediate situation and not a guarantee that your credit will be good in a year or two, but if you do the steps that you need to, you should be in a much better shape, not only financially, but in credit score wise within a 1 year or two, even though it can affect your credit for up to 7 years.