
**CHAPTER 11/13 BANKRUPTCY FACTS
FOR CONDOMINIUM & HOMEOWNERS ASSOCIATION**

Chapter 11 is business reorganization

Chapter 13 is personal reorganization

It is a repayment plan presented to and approved by the Bankruptcy Court for the Debtor to pay debts over 2,3 or 5 year time period (it may take months for the plan to be accepted or rejected)

If Court rejects payment plan, a conversion to a Chapter 7 liquidation can occur a new plan can be tried or the bankruptcy ends with all debts due from bankrupt.

1. **DOES NOT ELIMINATE THE DEBT DUE**
2. Stops (stays) legal actions against person or organization (party) that filed bankruptcy while bankruptcy case is open (stayed) unless the stay is lifted
3. Stops suit against bankrupt party to collect the money owed by the party only for money owed up to the day bankruptcy filed
4. Does not eliminate the party's obligation to pay amounts that become due after the filing day of bankruptcy
5. Does not eliminate the lien for amounts due prior to the date bankruptcy filed
6. Can sue to evict after discharge (bankruptcy ends) or if bankruptcy stay is lifted. (Bankrupt Debtor must be named but suit is In Rem for debt against the property)
7. Can sue to foreclosure after discharge or get permission from Bankruptcy Court (Order lifting Stay)
8. Individual personally owes all amounts of assessments and other charges after filing of the bankruptcy. (Can sue person and collect these amounts or can sue In Rem to get judgment against unit and evict after discharge or after Stay lifted)