

Money Wise, Financially Fit and Sexy

Famous People who have filed for Bankruptcy Relief

By Sharon Choi Stuart

Most people are surprised when they find out who has filed for bankruptcy relief. Sometimes co-workers or friends will reveal to each other that they have filed bankruptcy, but sometimes it's someone more famous.

I want to provide some much needed light-heartedness to this often very serious subject by sharing names of famous people who have filed bankruptcy.

"Name That Bankrupt Person" is a game that my firm, The Boleman Law Firm in Richmond, Virginia, often uses during our seminars to help ease the tension and break the ice. See if you can guess who these famous people are in the following five questions.

1. This famous showman said, "there's a sucker born every minute." He invested \$500,000 in the Jerome Clock Company, which didn't exist. He also had his own circus and side-show. Do you know who this person is?
2. This second gentleman filed for bankruptcy also wrote The Wizard of Oz.
3. This Rhythm and Blues trio had one of its members die in a car accident in South America a couple of years ago.
4. Famous movie director, uncle of Nicholas Cage, directed all of the Godfather movies.
5. Name three (3) U.S. Presidents who have filed bankruptcy.

Bankruptcy is a difficult topic to discuss among friends and family members, but as my game illustrates, you may be surprised to find out who has already filed for bankruptcy relief. It often surprises my clients to find out who has filed bankruptcy. Everyone believes that she is the only one in this situation.

Due to the number of foreclosures skyrocketing, increasing interest rates, rising gasoline prices, and other economic downturns, everyone is experiencing financial hardships.

Homebuyers who have Adjustable Rate Mortgages (ARMs) will start to feel a tremendous financial burden if their percentage points are slightly increased. For example, a monthly mortgage payment of \$1,500.00 on a \$500,000 ARM loan will double to \$3,000.00 if interest rates climb from 3 to 6 percent.

Liz Pulliam Weston, in her article, "Bankruptcy Filings Soaring Again" on MSN Money, partially blames the lending industry for expanding its credit to consumers who cannot afford to repay the debt and have very poor repayment histories.

Don't be ashamed to find out what legal rights you may have to help you get back on your feet. The new bankruptcy laws have attempted to make filing bankruptcy more difficult, but bankruptcy relief still remains available to those who truly need a fresh start.

~Sharon Choi Stuart; bankruptcy lawyer with the Boleman Law Firm in Richmond, VA. Send questions or comments to: ssstuart@bolemanlaw.com

Answers: 1) P.T. Barnum; 2) Frank Baum; 3) TLC; 4) Francis Ford Coppola; 5) Andrew Jackson, Ulysses Grant, and Abraham Lincoln