

A Creditors Options after obtaining a Judgment

Once a judgment is entered against a Debtor one or more of the following actions can be taken by the creditor in an attempt to collect the debt:

1) Docketing of Judgment:

Once a judgment is entered by the Court it may be docketed among the land records in any Circuit Court in Virginia. This places a lien against any real property (house, or land) the Debtor may own in that jurisdiction. As a general rule this is automatically done by the creditors attorney in the jurisdiction in which the judgment is rendered as well as the jurisdiction in which the debtor lives in the event these two locations are different.

2) Credit Rating:

An outstanding civil judgment often will adversely affect a Debtor's credit rating. Credit checks are done frequently, and judgments are often noted and reported by credit bureau's who monitor records at the courthouse on a regular basis.

3) Interrogatory Summons:

This is really a Court Order which is often issued together with a Subpoena requiring a Debtor to appear and produce various documents and papers concerning their assets before either the Court or a Commissioner in Chancery. If the Debtor does not appear or if the Debtor does not produce the requested material in accordance with the Subpoena the Debtor or an officer of the Debtor can be arrested for contempt of court. The Debtor can then attempt to convince the Court why the material should not be produced.

4) Garnishment Summons:

As long as there is any amount outstanding on the judgment the creditor can seek to have the Debtors bank accounts and/or wages garnished in order to satisfy the judgment. In addition, the creditor can garnish any funds that may be owed to the Debtor by another individual or by another business entity. The amount of wages that can be garnished is limited by statute, however, there is no such limitation for either bank accounts or other funds that may be owed to the Debtor. For example, if \$5,000.00 were owed it would be possible to issue five separate garnishment summons which could each freeze up to \$5,000.00 in five separate accounts thereby resulting in a total of \$25,000.00 being frozen by the creditor. The creditor would not receive more than the \$5,000.00 that was owed, however, until an order of release or dismissal is received the remaining funds would remain frozen.

5) Levy:

The Sheriff can place a lien on the Debtor's personal property, including any vehicles the Debtor may own, which may then be sold at a Sheriffs sale with the proceeds going first towards the cost of conducting the sale, then towards the lien of any lienholder, then towards the debt of the creditor with any remaining funds going back to the debtor.