

**§ 53-267. Repayment upon borrower's default.**

A reverse mortgage loan contract may provide for a borrower's default, thereby triggering early repayment of the loan, based only upon one or more of the following terms and conditions:

- (1) The borrower fails to maintain the residence as required by the contract.
- (2) The borrower sells or otherwise conveys title to the home to a third party.
- (3) The borrower dies and the home is not the principal residence of the surviving borrower.
- (4) The home is not the principal residence of at least one of the borrowers for a period of 12 consecutive months for reasons of physical or mental illness.
- (5) For reasons other than physical or mental illness, the home ceases to be the principal residence of the borrower for a period of 180 consecutive days and is not the principal residence of another borrower under the loan, without prior written permission from the lender.
- (6) The borrower fails to pay property taxes, insurance premiums, and assessments under G.S. 53-261. (1991, c. 546, s. 1; 1995, c. 115, s. 1.)