§ 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.)