
due on sale cause invoked at death

Posted by chris - 2008/03/15 17:42

Client dies and the bank finds out. Bank wants to call the loan. Cant find language in the mortgage that says they can call the loan at death. Mortgage states that upon a transfer the mortgage is due. Bank is saying that death creates a transfer. Is that right?

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Re:due on sale cause invoked at death

Posted by Miami LS - 2008/03/17 23:56

When the debtor dies, lender's usually require someone else (i.e. executor) to provide "assurance" that the loan will be repaid. I havent seen them call a loan at death. Have the executor provide assurance.

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Re:due on sale cause invoked at death

Posted by lex_advoc - 2008/04/18 18:49

The mortgage has not yet due. No valid transfer.

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Re:due on sale cause invoked at death

Posted by lex_advoc - 2008/05/05 19:01

It ain't right at all. No ipso facto transfer upon death was made.

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