



CHAPTER 53
ARTICLE 21 - REVERSE MORTGAGES

N.C.G.S. § 53-266.

Effects of lender's default.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT c. 115, s. 1 — second act in the lineage	RETRIEVED 21 September 2026, 05:34 UTC	SOURCE FINGERPRINT 4676d79e4b245dfa08c8bf11 - 7fc05e0b78cba6996639ca05 - 5f2f9c187b4a6c91
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§ 53-266(a) A lender's failure to make loan advances to the borrower under the reverse mortgage loan contract shall be deemed the lender's default of the contract. Upon the lender's default, the lender shall forfeit any right to collect interest or service charges under the contract. The lender's right to recovery at loan maturity shall be limited to the outstanding balance as of the date of default, minus all interest. Lenders may also be subject to other default penalties established by the Commissioner.

§ 53-266(b) Subsection (a) of this section shall not apply if the lender has previously declared the borrower in default under G.S. 53-267, or if the lender makes the required loan advance within the time stated in the mortgage contract or within 30 days of receipt of notice from the borrower that the loan advance was not received.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
2 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

1991				1993				1995			
TICK HEIGHT = ACTS IN THAT YEAR				DASHED = RECODIFICATION, NOT AMENDMENT							
Nº	YEAR	ACT						CHARACTER			
01	1991	c. 546, s. 1						ENACTED			

APPARATUS II
1 AUTHORITY

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 53-267	(b)	<i>"declared the borrower in default under"</i>

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 53-266 (1995).

PINPOINT

N.C. Gen. Stat. § 53-266(a) (1995).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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This is not the official text. The official text is published by the General Assembly of North Carolina.

HISTORY PARENTHETICAL, AS PRINTED BY THE STATE
(1991, c. 546, s. 1; 1995, c. 115, s. 1.)

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