naf Reverse

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Moving to care, living elsewhere part of the year, or renting a room

QUICK ANSWER

A reverse mortgage (HECM) has to stay your main home, so short stays away are allowed, but a permanent move can make the loan come due. If you will be away longer than 2 months, tell your servicer, and answer the yearly occupancy check.

A HECM is an FHA-insured reverse mortgage. New American Funding is not acting for HUD, FHA or any government agency.

Key points

- **It has to stay your main home.** HUD's rules require the home to be the main home of each borrower, which means where you live and typically spend most of the calendar year. If it stops being anyone's main home, the loan can come due.
- **Time away has limits.** California says absences up to 60 days in a row don't trigger the loan, and longer ones under a year don't if you first secure and protect the home in a way the lender accepts, as your loan papers say. HUD adds that if a borrower is away more than 12 months in a row because of illness and no other borrower lives there, the loan can be called due, with HUD's approval.
- **Tell your servicer.** Mention any absence longer than 2 months. Answer the yearly occupancy check. It can be done by phone.
- **A permanent move to care can make the loan come due.** Who is left in the home matters a great deal.
- **A spouse who isn't on the loan has separate rules.** Only an eligible non-borrowing spouse can stay after the borrower dies or moves to care.

The main-home rule

Your servicer is the company on your monthly statement. It is often not the company that made the loan.

The short version: a reverse mortgage has no required monthly mortgage payment. You still pay property taxes, homeowners insurance, HOA dues and upkeep, and you still live in the home. Missing any of these can make the loan come due, and the home can go to foreclosure. If future tax and insurance bills worry you, read about the set-aside account.

HUD defines your principal residence as the home where you live and "typically spend the majority of the calendar year" (24 CFR 206.3). You can have only one at a time. HUD's wording doesn't give a day count beyond that.

A stay in a health care facility of up to 12 months in a row still counts as living in the home.

Time away from home

Away for	What the rules say	Where it comes from
Up to 60 days in a row	Doesn't trigger the loan	California Civil Code 1923.2(g)
More than 60 days but under 1 year	Doesn't trigger the loan if you first secure and protect the home in a way the lender accepts, as your loan papers say	California Civil Code 1923.2(g)
More than 12 months in a row, for physical or mental illness, and no other borrower lives there	The loan can be called due, with HUD's approval	24 CFR 206.27(c)(2)

The 12-month illness rule applies only when no other borrower lives in the home. Ask your servicer what secured and protected means in your loan papers.

If you expect a long absence that isn't about health, raise it with your servicer in writing before you go, because the home has to stay the place where you typically spend most of the year.

Tell your servicer, and answer the yearly check

Once a year, the servicer must get a certification that the home is still your main home. It can be on paper, electronic or by phone. HUD has allowed phone answers since its November 2023 letter (ML 2023-23). If you ignore it, the servicer can start a due-and-payable review.

HUD's handbook also says borrowers should tell the servicer about absences longer than 2 months.

When the last borrower moves to care for good

The loan can come due when the home stops being the main home of every borrower. It also comes due when the last borrower dies or signs over all of the title.

If the loan comes due, the home is usually sold and the loan is repaid from the sale. The loan is repaid from the home, not from your family's bank accounts. Selling takes someone with legal authority to sell. If the owner can no longer sign, ask an estate attorney early. See titles, trusts and probate.

HUD's rule on this (24 CFR 206.125) applies to a living borrower too, not only to heirs. The servicer notifies the borrower and gives 30 days from the notice to pay the balance in full, or to sell for at least the lesser of the balance or 95% of the current appraised value, or to use other options such as a deed in lieu of foreclosure.

The servicer generally must start foreclosure within six months of the due date unless HUD approves more time. Ask your servicer to explain your options in writing.

Care facility and the eligible spouse

An eligible non-borrowing spouse was married to the borrower at closing and still is, is named in the loan papers as an eligible non-borrowing spouse, and lives in the home. A spouse who was not named at closing can't qualify later.

For loans with FHA case numbers from Aug. 4, 2014 on, HUD's ML 2021-11 lets an eligible spouse's right to stay (HUD calls it a deferral) begin when the borrower moves into a care facility for more than 12 months in a row.

While the spouse stays, no more money is paid out of the loan. The spouse must keep paying taxes and insurance, keep up repairs, and live in the home, and if the spouse stops qualifying, the loan is due right away. The spouse should call the servicer right away. See the non-borrowing spouse guide.

Renting a room

The home has to stay your principal residence. My advice: before renting any part of it, ask your servicer in writing.

Do and don't

My advice:

Do

- **Do** tell your servicer before a stay away that will run longer than 2 months.
- **Do** answer the yearly occupancy check on time, by phone if that is easier.
- **Do** keep paying property taxes, insurance and HOA dues while you are away.
- **Do** call the servicer right away if the borrower moves to care, and ask about an eligible spouse.

Don’t

- **Don't** wait for a letter to start the conversation with the servicer.
- **Don't** sign a lease for a rented room before you ask the servicer in writing.
- **Don't** assume a short hospital or nursing-home stay is the same as a permanent move.

A made-up example to show how it works. Your situation will be different.

Example: Arturo and Beatriz after a fall

Arturo, 79, and his wife Beatriz live in Diamond Bar with a reverse mortgage in Arturo's name. Beatriz is named in the loan papers as an eligible non-borrowing spouse. After a fall, Arturo spends several weeks in a rehabilitation center, and then his doctor suggests a longer stay in a care facility.

Beatriz stays in the home and keeps paying the property taxes and insurance. The family worries the loan will come due in 30 days. It does not. The rules look at how long Arturo is away and whether his stay is permanent, and Beatriz's status as the eligible spouse matters too.

If Arturo's stay goes past 12 months, Beatriz may be able to stay, but no more loan money is paid out. Arturo and Beatriz are still deciding on the long-term plan. Their daughter called the servicer, then an elder-law attorney, and talked with a lender about what the rules mean for them.

Questions families ask

Does a reverse mortgage become due if the owner is moved into a nursing home?

Not in 30 days. A hospital or nursing-home stay does not call the loan by itself, and a stay in a health care facility of up to 12 months in a row still counts as living in the home under HUD's definition.

If the borrower is away more than 12 months in a row for illness and no other borrower lives there, the loan can be called due, with HUD's approval. If the move is permanent, the home may no longer be the main home, which can also make the loan come due.

Can I live somewhere warmer part of the year?

Short stays are allowed under California's absence rules, shown in the table above. The home still has to be your main home. Tell your servicer about any absence longer than 2 months, and ask what applies to your loan.

Can I rent out part of my house and still keep a reverse mortgage?

The home has to stay your principal residence, and your loan papers and your servicer decide what is allowed. Ask your servicer in writing before you rent any part of it or sign a lease.

If I end up in a nursing home, what happens to the reverse mortgage, and does it delay Medi-Cal?

The loan part is above. How Medi-Cal treats a home is a separate question that I can't answer. Talk with an elder-law attorney or a benefits advisor first. See the benefits guide.

Sources (read October 28 to November 2, 2026)

- California Civil Code 1923.2(g), absences from a home with a reverse mortgage: https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=CIV&sectionNum=1923.2
- 24 CFR Part 206 (sections 206.3, 206.27, 206.55, 206.125, 206.211), eCFR: https://www.ecfr.gov/current/title-24/subtitle-B/chapter-II/subchapter-B/part-206
- HUD Handbook 4000.1 (revised 8/12/2026), HECM servicing, Part III.B: https://www.hud.gov/hud-partners/single-family-handbook-4000-1
- HUD Mortgagee Letter 2021-11 (eligible non-borrowing spouse, care facility): https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-11hsgml.pdf
- HUD Mortgagee Letter 2023-23 (verbal occupancy certification): https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-23hsngml.pdf
- HUD, HECM information and counselor search: https://www.hud.gov/hud-partners/single-family-hecmhome



Talk with me first

I'll answer your questions and tell you plainly if a reverse mortgage isn't the right fit. No pressure.

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Personal estimate and more free guides: thereverseguide.com. Before you can apply, you'll meet with an independent HUD-approved counselor; it's required.

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