Usually you should add your spouse or partner as a co-borrower on the reverse mortgage. Then you both are responsible for the loan and both receive the benefits. As a co-borrower, your spouse or partner will be able to live in the home even if you no longer live there, such as if you have to move to a nursing facility. Even after you pass away, the co-borrower will be able to draw funds from an available line of credit (if the reverse mortgage is structured that way), as long as he or she remains in the house.

According to HUD rules (after August 2014), a spouse who is not a co-borrower on the reverse mortgage is still protected and can remain in the home after the borrower leaves the house or passes on. The spouse has to be living with you continuously from when you took out the loan until when you pass on or leave the home. Also you have to have been married before you took out the loan. Even then, a non-borrowing spouse cannot receive loan proceeds after the borrower dies, which is a problem if you have been relying on such payments to make ends meet.

Source: National Consumer Law Center, Surviving Debt [50th NCLC Anniversary Edition], updated at www.nclc.org/library
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