Is it possible for an estate or heirs of the borrower(s) to receive funds after the final settlement of a reverse mortgage?

Assuming that the reverse mortgage is not called due to the failure of the borrower(s) to comply with the terms and conditions of the loan, the final settlement of the loan will come due when the borrower(s) sell the home, die, or no longer use the home as the primary residence. At that time, the heirs or estate have six months (this can be extended for a second six months) to repay the lender the principal plus accrued interest, and any other legitimate charges associated with the loan. Should the amount generated from the sale of the home be greater than the amount owed to the lender, all proceeds remaining belong to the borrower(s), heirs, or estate. However this is a “nonrecourse” loan which means that the borrower can never owe more than the value of the home regardless of loan balance; as such, no debt can ever be passed along to the heirs or estate.