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C O U N S E L L O R S A T L A W

Inheriting a Home and Loan - New York Times

November 21, 2011 by [Deirdre Wheatley-Liss](#)



A recent interview with [New York Times reporter Vickie Elmer](#) inspired my post "[What Happens to the Mortgage when Property is Transferred to Beneficiaries at Death?](#)". Vickie took some of my thoughts, and those of other attorneys and loan officers, to provide a framework to "[Inheriting a Home and Loan](#)".

Some points from the [article](#) to consider:

- **"It's like getting a gift with a string,"** said Judith D. Grimaldi, a principal of Grimaldi & Yeung, an estate planning law firm in Brooklyn. Thirty-one percent of people 65 and older, in fact, have home mortgages, according to the Census Bureau. "Most of my clients just end up selling the house," Ms. Grimaldi said, "taking the proceeds and saying, 'Thank you, Mom.' "
- The survivors, meanwhile, should **look at the inheritance of property from a practical, economic perspective**. "You need to look very strongly at whether you can afford to maintain the mortgage and maintain the property," Ms. Wheatley-Liss said.
- Although there may be some emotional attachment to the home, **having [the home] appraised can help determine whether it's worth keeping**. "The question would always be: 'Are you protecting equity?'" said Michael McHugh, the president and chief executive of Continental Home Loans in Melville, N.Y.
- The **survivors should contact the lender early on** to let it know that the borrower has died and that they are the heirs, or the executor of the estate, and to determine the loan's status. Mr. McHugh suggests sending the lender a copy of the death certificate and a letter from the estate's lawyer.
- It is also important to determine whether the deceased relative has stayed current on the **property taxes**, if they are not paid through the lender.

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