

WEST VIRGINIA CODE: §16-29A-6

§16-29A-6. Hospital loans.

The authority may lend money to hospitals for the acquisition, construction, improvement or alteration of hospital facilities. A hospital loan shall not be made unless the authority is reasonably satisfied that there will be made available to the hospital from the hospital loan and other sources all the funds necessary to pay all project costs; that the hospital facilities will produce revenues sufficient, together with any other revenues pledged, to meet the principal of and interest on the hospital loan, other costs, expenses and charges in connection with the hospital loan and other charges or obligations of the hospital which may be prior or equal to the hospital loan, promptly as they become due; and that the hospital is otherwise soundly financed. The hospital loan may be secured by a deed of trust on or a security interest in, as applicable, property of the hospital, including the hospital facilities, and may provide for the appointment of a receiver to operate the hospital facilities in case of default. A hospital loan made pursuant to this section shall not exceed the project costs as determined by the authority. A hospital loan shall be secured in a manner, be repaid in a period not exceeding fifty years and bear interest at a rate, all as determined by the authority, which interest rate may be decreased or increased so that it shall in no event be less than the rate paid by the authority on notes, renewal notes or bonds issued to fund the hospital loan. Such terms and provisions shall be set forth in a loan agreement between the authority and the hospital.