WEST VIRGINIA CODE: §46A-4-111

§46A-4-111. Disclosure of higher annual percentage rate upon refinancing of a loan not secured by real estate at higher rate; requiring documentation of a reasonable net tangible benefit to the borrower of any refinancing of a real estate secured loan.

(1) Any nonrevolving consumer loan or consumer credit sale that is not secured by residential real estate that is refinanced or consolidated with a new loan under this article after September 1, 2009, at a higher annual percentage rate than the consumer loan or consumer credit sale being refinanced must provide the consumer the following disclosures:

"If you do agree to refinance or consolidate your existing obligation, you will be paying an annual percentage rate of _____% on the existing balance of $_____, instead of the annual percentage rate of _____% which you are now paying.

I acknowledge receipt of this information _____ (initials of borrower)."

Nothing in this subsection shall prohibit the receipt of goods or services by the borrower at the time the consolidated loan agreement is made, nor shall this subsection prohibit or pertain to any loan where the refinancing or consolidation results in the consumer paying the same or a lower annual percentage rate.

(2) No nonrevolving consumer loan or consumer credit sale that is secured by residential real estate may be refinanced or consolidated with a new loan secured by residential real estate and made under this article unless the new loan has a reasonable, tangible net benefit to the borrower considering all of the circumstances, including the terms of both the new and the refinanced loans, the cost of the new loan and the borrower's circumstances. The reasonable, tangible net benefit shall be documented in writing on a form prescribed by the commissioner and maintained in the loan file.

WV Legislature