

West Virginia Tangible Net Benefit Worksheet

West Virginia Code Ann. 31-17-8(d)

Borrower Name: _____

Co-Borrower (if Applicable) _____

Property Address: _____

Loan Number: _____

Date: _____

Please complete the questions below and include a copy of this worksheet in the loan file.

- 1. Will it take longer than 48 months for the borrower to recoup the costs associated with the loan (based on total monthly debt payment savings)? Yes ____ No ____
- 2. Is this a refinance of a loan that was originated less than 12 months ago? Yes ____ No ____
- 3. Is this loan refinancing the prepayment penalty due on the loan being refinanced? Yes ____ No ____
- 4. Could this loan result in negative amortization? Yes ____ No ____
- 5. Is the interest rate on this loan higher than the rate on the loan being refinanced? Yes ____ No ____
- 6. Is the borrower’s mortgage payment increasing? Yes ____ No ____
- 7. Is this loan refinancing a fixed rate to an ARM, balloon or negative amortization product? Yes____ No____
- 8. Is this a refinance of a “special mortgage” (i.e. Habitat for Humanity, state bond program, etc.)? Yes____ No____
- 9. Is the maturity term of this loan greater than the original term of the loan being refinanced? Yes ____ No ____

If the answer to any of the above questions is Yes, please explain below how the loan is a benefit to the borrower:

Name of person completing this worksheet: _____

Lender/Broker Company Name: _____

Date Completed: _____

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Licenses who charge loan origination fees, investigative fees, or points or any combination may not charge them in any refinancing of that loan or any additional loan, relating to the same property, within twenty-four months of the date of the original loan. However, if the refinancing results in a reasonable tangible net benefit to the borrower, considering all the circumstances, then the license may participate in a refinancing. **Each borrower must receive a copy of this form at or before the loan closing for such refinancing.**

The original of this form must be retained in the licensee’s loan file for 3 years after date of the refinancing.
The following worksheet **must be used** in the determination of a borrower’s tangible net benefit as the benefit relates directly to the new loan extended. Additional information may be provided on supplemental sheets or on the reverse if the fields below are insufficient. Questions regarding this form should be directed to the Division of Banking at (304) 558-2294.

Was the previous loan provided by the license or a related entity or affiliate of the licensee? YES _____ NO _____
If No, the license is not required to fill in the following fields pertaining to the previous loan: Debt to Income Level, Loan to Value, and Loan Purpose.

If Loan Amount of previous loan is unknown, you may substitute with the Loan Payoff as long as it is clearly identified as such:

Licensee: _____

License Number: _____

Loan Originator/Processor: _____

Borrower(s) Name: _____

Property Address: _____

	Loan Information New Loan	Previous Loan
Loan Date		
Loan Amount		
Loan Term		
Type of Loan	Fixed Rate ____ Adjustable Rate____ Balloon_____	Fixed Rate_____ Adjustable Rate_____ Balloon_____
Loan Rate		
Payment Amount		
Prepayment Penalty Provision		
Loan to Value		
Debt to Income Level		
Loan Purpose Must be specific and relate to distribution of loan proceeds.		

LOAN ORIGINATOR TO COMPLETE:

The borrower received the following described tangible, net benefit through a refinancing of this loan or an additional loan secured by this borrower’s same property?

Signature

Date

BORROWER CERTIFICATION:

I understand that my broker and/or lender must show that I have received a reasonable, tangible net benefit by refinancing this loan or obtaining an additional loan on my property when a new or additional loan is made within a twenty-four month period. I affirm that the tangible net benefit of my new loan has been explained. Finally, I understand and confirm the benefit.

Signature

Date

Signature

Date