West Virginia Supreme Court: WVCCPA does not apply to Landlord/Tenant Relationships

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Authors:

Jared M. Tully
Alex J. Zurbuch

On October 12, 2017, The West Virginia Supreme Court issued a decision in *State of West Virginia ex rel. v. Copper Beech Townhome Communities Twenty-Six, LLC*, No. 17-0228, holding that the West Virginia Consumer Credit Protection Act ("WVCCPA") does not apply to relationships between a landlord and tenant under a lease for residential real property. In reaching its decision, the Court noted that "in the forty-three years since the [WV]CCPA was enacted, this case is the first occasion in which any party has asserted before this Court that the Act applies to and regulates the landlord-tenant relationship." The Court reasoned:

A general *lease* of residential real property could not properly be characterized as either a "consumer credit *sale*" or as a "consumer *loan*." (Emphasis added). The only potential category a residential lease of real property could fit into is a "consumer lease." However, W.Va. Code § 46A-1102(14)(a) provides that a "consumer lease means *a lease of goods*." (Emphasis added.) Clearly, a residential lease of real property made between a landlord and a tenant is not "a lease of goods."

The Court was further unwilling to expand the plain language of the WVCCPA "[b]ecause the landlord-tenant relationship is so pervasively regulated" in other articles of West Virginia Code, exhibiting the lack of legislative intent for such a relationship to be governed by the provisions of the WVCCPA. If you have any questions concerning this article, please contact Jared Tully or Alex Zurbuch.

FBT Gibbons