

WEST VIRGINIA CODE: §38-2-22

§38-2-22. Limitation of owner's liability by recordation of contract and bond of general contractor.

Any owner may limit his liability upon a contract such as is mentioned in section one of this article, to the sum agreed therein to be paid therefor, by recording his contract with such general contractor, in the office of the clerk of the county court of the county wherein such building or other structure is situate, prior to the beginning of the building, erection and construction thereof, and by requiring to be given by his general contractor, and by recording with such general contract, a valid and solvent bond, in a penalty equal to the contract price, with solvent surety, conditioned that in the event any laborer, materialman or other person, having perfected his lien as allowed by this article, be deprived by the recordation of the owner's contract from receiving from such owner the amount of his lien, then such bond and the surety thereon shall be responsible to such lienor for the amount of such lien account, or for any balance thereof not collected by such lienor from such owner and from such property. Any such owner who shall cause his general contract to be recorded in such clerk's office and who shall cause to be executed and recorded the bond therewith as hereinbefore provided shall be exempt from the payment of more than such contract price, and his property shall likewise be exempt therefrom, and all such liens created by this article as are not fully satisfied and discharged by such owner, by reason of such recordation, shall be paid by such contractor and his surety on such bond. If liens in excess of the contract price are perfected as provided in this article, the owner shall be liable to each lien claimant pro rata, in the proportion which the contract price bears to the total amount of the liens so perfected.