



# Application for Reimbursement From the Homeowners Recovery Fund

Post Office Box 17187  
Raleigh, North Carolina  
27619-7187  
919-420-7991

## PLEASE READ ALL THE INSTRUCTIONS BEFORE FILING YOUR CLAIM

**ALL APPLICANTS** must meet the following requirements before being eligible for recovery:

- Be the owner, or former owner of the single-family residential dwelling in question
- Have suffered a reimbursable loss. **Reimbursable losses are financial losses which:**
  1. resulted from the dishonest or incompetent conduct of a licensed general contractor (a breach of contract is **not** sufficient evidence of dishonest conduct),
  2. have not been paid in **any amount** by or on behalf of the general contractor, and
  3. are not covered by a bond, surety agreement or an insurance contract.

### **Reimbursable losses must meet ALL of these requirements**

- Have a building permit listing your contractor, and not you as the general contractor
- Exhausted all civil remedies against the contractor by obtaining a judgment which remains unsatisfied or exhausted all possible remedies within the contractor's bankruptcy proceeding
- The incompetent or dishonest conduct **must** have occurred on or after **October 1, 1991**
- Application has been made within **one year** of the conclusion of all civil proceedings
- If the contractor has filed bankruptcy, application has been made within **three years** of discovery of the facts surrounding the incompetent or dishonest conduct or within **six years** of substantial completion of the construction (whichever comes first).

Before you will be considered eligible for reimbursement, you will have to meet **ALL** the requirements described above. Only those applicants who meet **ALL** the requirements will be granted a formal hearing in which a possible reimbursement will be considered. You have been provided a copy of the rules governing the Homeowners Recovery Fund, and are encouraged to read them. This list is provided as a means of determining the specific requirements you must meet before being found eligible for recovery.

## INSTRUCTIONS FOR FILING A HOMEOWNERS RECOVERY FUND CLAIM:

This form has been provided as a means of organizing information and materials pertaining to the reimbursable loss you have suffered as the result of dishonest or incompetent conduct of a licensed general contractor. It is essential that your answers to the questions be as specific, complete and factual as possible. The answers and documents provided to the Board will be all that is used to make the initial decision regarding eligibility of your claim. Therefore, please support all answers with documentation when possible.

**DO NOT** leave any questions unanswered. If a requested document is not available, please provide a written explanation as to why it is not. **ALL** requested documents are necessary for the processing of the claim. In most cases, the investigation cannot proceed until all the documents have been supplied or an explanation of their absence has been given. In some cases, the application requests certified copies of the documents, this is because during a hearing, only certified copies of these documents will be admissible. It is your responsibility to provide the certified copies prior to a hearing of the claim; the Board staff will not obtain these copies.

A **Subrogation Agreement** has been included as a part of this claim form. You and your spouse (if applicable) must sign and date this agreement. Any claim package received without a signed Subrogation Agreement will be returned to the application for completion.

If you have been prevented from filing suit or obtaining a judgment because of the automatic stay provision of the U.S. Bankruptcy Code, your claim cannot be reviewed by the Recovery Fund Review Committee until the bankruptcy has been finalized and closed or you are able to provide documentation from the bankruptcy court or trustee certifying that you have not and will not receive any payment from the bankruptcy proceeding. It is the responsibility of the applicant to monitor the progress of the bankruptcy and provide certified copies of the closing documents and a final accounting of the estate. This does not mean that you cannot file the claim prior to the termination of the Bankruptcy, it only means that there cannot be a hearing until the termination of the bankruptcy proceedings has occurred or you have provided the certification from the bankruptcy court or trustee.

## I. CLAIMANT INFORMATION

Your Name \_\_\_\_\_ Social Security No. \_\_\_\_\_

Spouse \_\_\_\_\_ Social Security No. \_\_\_\_\_

Home Phone \_\_\_\_\_ Bus. Phone \_\_\_\_\_ Other Phone \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Jobsite Address \_\_\_\_\_ Do you currently live at the residence? Yes  No

Your Attorney \_\_\_\_\_

Firm \_\_\_\_\_

Address \_\_\_\_\_ Phone \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Should correspondence and information regarding this claim be sent to this attorney? Yes  No  (If you do not mark an answer, all correspondence will be directed to the attorney listed above.)

## II. CONTRACTOR INFORMATION

Contractor Name \_\_\_\_\_ License No. \_\_\_\_\_

Home Phone \_\_\_\_\_ Bus. Phone \_\_\_\_\_ Other Phone \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Contractor Attorney \_\_\_\_\_

Firm \_\_\_\_\_

Address \_\_\_\_\_ Phone \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Additional information you may have which will assist in locating the contractor: \_\_\_\_\_

## III. CONTRACT INFORMATION

Written Contract  Verbal Contract  New Construction  Remodel

Contract Date \_\_\_\_\_ Date of Last Work \_\_\_\_\_ Move In Date \_\_\_\_\_

Amount of Contract \$ \_\_\_\_\_ Amount of Add-ons/Change Orders \$ \_\_\_\_\_

Contract Paid in Full Yes  No  If not, Amount Still Owed \$ \_\_\_\_\_

Have you sold the Property? Yes  No

What was the Sales Price (less the cost of land) \$ \_\_\_\_\_

If written contract, have you attached a legible photocopy? Yes  No

*Please be sure to include a copy of the specification sheet, materials list and any change orders.*

*If verbal contract, please summarize the terms and dates of negotiation on another sheet of paper.*

## IV. SUBROGATION AGREEMENT

a) Have you signed the attached Subrogation Agreement? Yes  No

*This agreement must be signed before the Board will be able to process your claim.*

*Claims filed without a signed agreement will be returned to the applicant for completion.*

## V. ADDITIONAL INFORMATION

a) Was an application for a building permit filed? Yes  No

Was the permit issued? Yes  No

Have you attached a copy of the permit? Yes  No

*If no, please submit an explanation as to why.*

b) Was a Certificate of Occupancy applied for? Yes  No

Was the certificate granted? Yes  No

Have you attached a copy of the certificate? Yes  No

*If no, please submit an explanation as to why.*

c) Please describe the incompetent or dishonest acts of the contractor which caused your loss. Attach additional pages as necessary. Dishonest conduct involves more than simply a breach of contract. Specifically provide information concerning your actual financial loss in monies paid to the contractor, subcontractor or material providers.

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d) If the contractor has filed bankruptcy, have you attached certified copies of:

- 1. the complete bankruptcy petition? Yes  No
- 2. any proof of claim which you have filed? Yes  No
- 3. the final order of termination and the trustee's reports Yes  No

e) If you have obtained a judgment against the contractor, have you attached certified copies of:

- 1. the civil complaint Yes  No
- 2. the judgment Yes  No
- 3. a Writ of Execution returned marked "unsatisfied" Yes  No

f) What amount of damages are you claiming? \$ \_\_\_\_\_

Please explain and itemize your claim amount below. **DO NOT** include interest, attorneys fees, court costs, civil or criminal penalties or fines, consequential damages, multiple or punitive damages incidental or special damages; these are not recoverable.

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g) Have you received any money from other sources:

- 1. Contractor's Bond Yes  No  Amount \$ \_\_\_\_\_
- 2. Homeowners Insurance Yes  No  Amount \$ \_\_\_\_\_
- 3. Other Yes  No  Amount \$ \_\_\_\_\_

(if you have answered yes to any of the above questions, please attach an explanation and documentation)

**THE CONTENTS OF THE RECOVERY FUND CLAIM FORM VERIFIED ARE TRUE TO THE KNOWLEDGE OF THE PERSON(S) MAKING THE VERIFICATION, EXCEPT AS TO THOSE THINGS STATED ON INFORMATION AND BELIEF, AND AS TO THOSE MATTERS, HE OR SHE BELIEVES THEM TO BE TRUE.**

\_\_\_\_\_  
SIGNATURE DATE

\_\_\_\_\_  
SPOUSE DATE

SWORN (OR AFFIRMED) TO AND SUBSCRIBED BEFORE ME THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_

NOTARY PUBLIC \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_

(SEAL)



*Homeowners Recovery Fund*  
*North Carolina Licensing Board for General Contractors*

Post Office Box 17187 / Raleigh, North Carolina 27619-7187 / 919-420-7991

**SUBROGATION AGREEMENT**

Pursuant to G.S. § 87-15.9, if an applicant is reimbursed from the Homeowners Recovery Fund (Fund), the North Carolina Licensing Board for General Contractors (Board) is subrogated to the applicant. This means that after reimbursing the applicant from the Fund, the Board may assert the applicant's right to recovery against the general contractor whose conduct caused the reimbursable loss and enforce any judgment the applicant may have against the general contractor. By signing this Agreement, if you are reimbursed from the Fund, you agree:

1. That your rights, title, and interest in the claim against the general contractor whose conduct caused the reimbursable loss are transferred and assigned to the Board;
2. That you will execute an assignment of any judgment you have obtained against the general contractor to the Board;
3. That you will do nothing to impair or prejudice the Board's subrogation rights;
4. That you will execute and deliver instruments and papers and do whatever else is necessary to secure and enforce the Board's subrogation rights;
5. That you will cooperate in any lawsuit or other action brought by the Board against the general contractor to enforce its subrogation rights and do whatever is necessary to aid the Board to recover from the general contractor.

**IN THE EVENT I RECEIVE REIMBURSEMENT FROM THE FUND, I HEREBY TRANSFER AND ASSIGN MY RIGHTS, TITLE AND INTEREST IN MY CLAIM AGAINST THE GENERAL CONTRACTOR WHOSE CONDUCT CAUSED THE LOSS AND AGREE TO ABIDE BY THE FOREGOING TERMS 1-5.**

Signature \_\_\_\_\_ (SEAL)                      Date \_\_\_\_\_

Signature \_\_\_\_\_ (SEAL)                      Date \_\_\_\_\_