North Carolina’s Homeowners Recovery Fund is designed to be a last resort for homeowners seeking to recover losses incurred as a result of the actions of dishonest or incompetent general contractors. Claimants must have pursued every other avenue for recovery prior to seeking assistance from the Homeowners Recovery Fund. When considering offers of settlement by or on behalf of the general contractor, claimants should understand that recovery of their entire loss from the Recovery Fund is not guaranteed.

For more information, please visit the Licensing Board for General Contractors website at www.nclbgc.org/recoveryfund

North Carolina Licensing Board For General Contractors
5400 Creedmoor Road
Raleigh, NC 27612
919-571-4183
www.nclbgc.org
WHO IS ELIGIBLE TO FILE A CLAIM?

- In order to be eligible for assistance from the Recovery Fund, claimants must be the owner or former owner of the single-family dwelling unit in question. The term “owner” or “former owner” includes the person who contracted with a general contractor for the construction or purchase of a single-family dwelling unit.

- Claimants must be able to prove to the Board that he/she has suffered a reimbursable loss which resulted from the dishonest or incompetent conduct of a licensed general contractor, or an unlicensed contractor who fraudulently represented himself or herself as being licensed. The loss must not have been paid in any amount by or on behalf of the general contractor, or be covered by a bond, surety agreement, or an insurance contract.

- Claimants must exhaust all other remedies for recovery prior to being eligible for assistance from the Recovery Fund. Prior to the filing of a claim, the claimant must have sued the general contractor in civil court and obtained a judgment that has not been paid by the general contractor and remains unsatisfied.

- If the contractor filed bankruptcy during construction or during the civil action, the claimant must exhaust all remedies in the bankruptcy proceeding. This includes filing of a Proof of Claim and/or following any procedures necessary to obtain consideration in the bankruptcy proceeding.

- The dishonest or incompetent conduct of a general contractor must have occurred on or after October 1, 1991, the effective date of the Recovery Fund Statutes (Chapter 87, Article 1A). The Recovery Fund only applies to dishonest or incompetent conduct that occurred on or after the effective date.

- The application or claim must be made within one year of the conclusion of all civil proceedings, including appeals in connection with an unsatisfied judgment against the general contractor. Claims based upon the bankruptcy or dissolution of the general contractor shall be forever barred unless application is made to the Recovery Fund within three years from the date of discovery by the applicant of the facts constituting dishonest or incompetent conduct, or within six years of substantial completion of the construction, whichever comes first.

- Any homeowner meeting these requirements may visit [www.nclbgc.org](http://www.nclbgc.org) and print the Homeowners Recovery Fund claim package.

Claimants must complete the application, sign and notarize the claim form, and return the completed package with copies of all requested documents to the Board office. When the claim is received, a file will be opened and the claim process initiated.

Please send the completed, notarized claim form and attachments to:

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