

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 809  
Commerce Committee Substitute Adopted 4/23/97  
Third Edition Engrossed 4/29/97  
House Committee Substitute Favorable 6/4/97  
Fifth Edition Engrossed 7/2/97

Short Title: Amend NC Appraisers Act.

(Public)

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Sponsors:

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Referred to:

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April 10, 1997

1 A BILL TO BE ENTITLED  
2 AN ACT AMENDING THE NORTH CAROLINA APPRAISERS ACT.  
3 The General Assembly of North Carolina enacts:  
4 Section 1. G.S. 93E-1-3(c) reads as rewritten:  
5 "(c) Nothing in this Chapter shall preclude a real estate broker or salesman licensed  
6 under Chapter 93A of the General Statutes from performing a comparative market  
7 analysis, provided analysis or broker's market analysis so long as the person does not  
8 represent himself or herself as being State-licensed or State-certified as a real estate  
9 ~~appraiser.~~ appraiser, and the analysis states that it is not an appraisal and shall not be used  
10 for lending purposes. A real estate broker or salesman may perform a comparative  
11 market analysis or broker's market analysis for compensation only for the following:  
12 (1) A brokerage client or prospective brokerage client of the broker or  
13 salesman.  
14 (2) Real property involved in an employee relocation program."  
15 Section 2. G.S. 93E-1-4 reads as rewritten:  
16 "§ 93E-1-4. Definitions.

1       ~~When used in this Chapter, unless the context otherwise requires, the term:~~ The  
2 following definitions apply in this Chapter:

- 3       (1) ~~"Appraisal" or "real estate appraisal"~~means an Appraisal or real estate  
4 appraisal. – An analysis, opinion, or conclusion as to the value of  
5 identified real estate or specified interests therein performed for  
6 compensation or other valuable consideration.
- 7       (2) ~~"Appraisal assignment" means an~~ Appraisal assignment. – An engagement  
8 for which an appraiser is employed or retained to act, or would be  
9 perceived by third parties or the public as acting, as a disinterested third  
10 party in rendering an unbiased appraisal.
- 11       (3) ~~"Appraisal Board" or "Board"~~means the Appraisal Board or Board. – The  
12 North Carolina Appraisal Board established under G.S. 93E-1-5.
- 13       (4) ~~"Appraisal Foundation" or "Foundation"~~means Appraisal Foundation or  
14 Foundation. – The Appraisal Foundation established on November 20,  
15 1987, as a not-for-profit corporation under the laws of Illinois.
- 16       (5) ~~"Appraisal report" means any~~ Appraisal report. – Any communication,  
17 written or oral, of an appraisal.
- 18       (5a) Broker's market analysis. – The analysis of a property's condition and of  
19 competition and future market conditions to derive an indication of the  
20 probable sales price of the property and market strategies to be used by  
21 a licensed real estate broker or salesperson.
- 22       (6) ~~" Certificate" means that~~ Certificate. – The document issued by the North  
23 Carolina Appraisal Board evidencing that the person named therein has  
24 satisfied the requirements for certification as a State-certified real estate  
25 appraiser and bearing a certificate number assigned by the Board.
- 26       (7) ~~" Certificate holder" means a~~ Certificate holder. – A person who is  
27 certified by the Board under the provisions of this Chapter.
- 28       (7a) ~~" Comparative market analysis" means the~~ Comparative market analysis. –  
29 The analysis of sales of similar recently sold properties in order to  
30 derive an indication of the probable sales price of a particular property  
31 by a licensed real estate broker or salesperson for the broker's or  
32 salesperson's principal. salesperson.
- 33       (8) ~~" License" means that~~ License. – The document issued by the North  
34 Carolina Appraisal Board evidencing that the person named therein has  
35 satisfied the requirements for licensure as a State-licensed real estate  
36 appraiser and bearing a license number assigned by the Board.
- 37       (9) ~~" Licensee" means a~~ Licensee. – A person licensed by the Board under  
38 the provisions of this Chapter.
- 39       (10) ~~" Real estate" or "real property"~~means land, Real estate or real property. –  
40 Land, including the air above and ground below and all appurtenances  
41 and improvements thereto, as well as any interest or right inherent in the  
42 ownership of land.

- 1           (11) ~~" Real estate appraiser" or "appraiser"~~ means a Real estate appraiser or  
2 appraiser. – A person who for a fee or valuable consideration develops  
3 and communicates real estate appraisals or otherwise gives an opinion  
4 of the value of real estate or any interest therein.
- 5           (12) ~~" Real estate appraising" means the~~ Real estate appraising. – The practice  
6 of developing and communicating real estate appraisals.
- 7           (13) ~~" Residential real estate" means any~~ Residential real estate. – Any parcel of  
8 real estate, improved or unimproved, that is exclusively residential in  
9 nature and that includes or is intended to include a residential structure  
10 containing not more than four dwelling units and no other  
11 improvements except those which are typical residential improvements  
12 that support the residential use for the location and property type. A  
13 residential unit in a condominium, town house, or cooperative complex,  
14 or planned unit development is considered to be residential real estate.
- 15           (14) ~~" State-certified general real estate appraiser" means a~~ State-certified general  
16 real estate appraiser. – A person who holds a current, valid certificate as  
17 a State-certified general real estate appraiser issued under the provisions  
18 of this Chapter.
- 19           (15) ~~" State-certified residential real estate appraiser" means a~~ State-certified  
20 residential real estate appraiser. – A person who holds a current, valid  
21 certificate as a State-certified residential real estate appraiser issued  
22 under the provisions of this Chapter.
- 23           (16) ~~" State-licensed residential real estate appraiser" means a~~ State-licensed  
24 residential real estate appraiser. – A person who holds a current, valid  
25 license as a State-licensed residential real estate appraiser issued under  
26 the provisions of this Chapter.
- 27           (17) ~~" Temporary appraiser licensure or certification" means the~~ Temporary  
28 appraiser licensure or certification. – The issuance of a temporary  
29 license or certificate by the Board to a person licensed or certified in  
30 another state who enters this State for the purpose of completing a  
31 particular appraisal assignment.
- 32           (18) ~~" Trainee", "registered trainee", or "trainee real estate appraiser"~~ means a  
33 Trainee, registered trainee, or trainee real estate appraiser. – A person  
34 who has satisfied the requirements to be registered as a trainee pursuant  
35 to G.S. 93E-1-6, but who has not satisfied the experience and other  
36 requirements set forth in G.S. 93E-1-6 to be licensed as a real estate  
37 appraiser.
- 38           (19) ~~" Trainee registration" or "registration as a trainee"~~ means the Trainee  
39 registration or registration as a trainee. – The document issued by the  
40 North Carolina Appraisal Board evidencing that the person named  
41 therein has satisfied the requirements of registration as a trainee real  
42 estate appraiser and bearing a registration number assigned by the  
43 Board."

1           Section 3. G.S. 93E-1-10 reads as rewritten:

2 **"§ 93E-1-10. Rule-making authority.**

3       (a) The Board may adopt rules not inconsistent with the provisions of this Chapter  
4 and the General Statutes of North Carolina which may be reasonably necessary to  
5 implement, administer, and enforce the provisions of this Chapter, including, but not  
6 limited to, the authority to:

7           (1) Prescribe forms and procedures for submitting information to the Board;

8           (2) Prescribe standards of practice for persons licensed or certified under  
9 this Chapter; and

10          (3) Prescribe standards for the operation of real estate appraiser education  
11 programs.

12       (b) The Board shall not adopt any rule or take any administrative action that is more  
13 restrictive than the Uniform Standards of Professional Appraisal Practice (USPAP) as  
14 promulgated and interpreted by the Appraisal Standards Board of the Appraisal  
15 Foundation pursuant to Title XI of the Financial Institutions Reform, Recovery and  
16 Enforcement Act of 1989 (Public Law 101-73)."

17           Section 4. This act becomes effective October 1, 1997.