

AGENDA

NORTH CAROLINA APPRAISAL BOARD

Charlotte
April 9, 2024

CALL TO ORDER

CONFLICT OF INTEREST REMINDER

In accordance with the State Government Ethics Act, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict. Board members are directed to identify any known conflict of interest or appearance of conflict with respect to any matters coming before the Board at this meeting and to refrain from any undue participation in the particular matter involved. Does any Board member know of any conflict of interest or appearance of conflict of interest with respect to any matters coming before the Board at this time? If one arises during the course of this meeting, please articulate it to the Board.

APPROVAL OF AGENDA

Consider approving the agenda with items taken in any order as determined by the Chair.

APPROVAL OF MINUTES (Exhibit 1)

FINANCE

Review financial report through March 2024 **(Exhibit 2)**

HEARINGS:

10:00 am Public Hearing - Rulemaking **(Exhibit 3)**

LEGAL

Probable Cause **(Exhibit 4)**

Investigation Request **(Exhibit 5)**

AGENDA
April 9, 2024
Page 2

Pending Hearing Report (**Exhibit 6**)

Disciplinary Actions Year-to-Date (**Exhibit 7**)

LICENSING AND EDUCATION

Present list of candidates who have been recently registered, licensed, or certified (**Exhibit 8**)

Present list of Registered Appraisal Management Companies (**Exhibit 9**)

Examination Reports through March 2024 (**Exhibit 10**)

PUBLIC FORUM (Exhibit 11)

OTHER ITEMS

Review The Appraisal Foundation's report (**Exhibit 12**)

Review ASC's Compliance Review Findings (**Exhibit 13**)

Discuss changing October virtual meeting date

Staff Report

NORTH CAROLINA APPRAISAL BOARD**Minutes
Via Video Conference****March 5, 2024****Board Members Present**

Mike Warren, Chair
Claire M. Aufrance, Vice-Chair
Sarah J. Burnham
Lynn Carmichael
Darius R. Chase
Marcella D. Coley
Jack C. (Cal) Morgan, III
Viviree Scotton
H. Clay Taylor, III

Staff Present

Donald T. Rodgers, Executive Director
Brandy M. March, Deputy Director
Sondra C. Panico, Legal Counsel
Jeffrey H. Davison, Investigator
Randall L. Echols, Investigator
Frank D. Fleming, Investigator
H. Eugene Jordan, Investigator
Mindy Sealy, Office Manager

CALL TO ORDER

Chair Warren called the meeting to order at 9:08 a.m.

Ms. Coley read the Board's Mission Statement.

Chair Warren read the Conflict of Interest reminder. No Board Member indicated any conflict of interest.

APPROVAL OF AGENDA

Mr. Taylor moved, second by Mr. Chase, that the Board approve the agenda, with the Chair being able to take the items in any order. Motion carried.

APPROVAL OF MINUTES

Ms. Aufrance moved, second by Ms. Scotton, to approve the February 6, 2024, Minutes (**Exhibit 1**) and February 21, 2024, Minutes (**Exhibit 1A**) as presented. Motion carried.

LEGAL

Probable Cause (Exhibit 2)

Ms. Carmichael moved, second by Ms. Coley, that the Board accept staff recommendations on all probable cause summaries with the exception of case numbers 2023-0024, 2023-0037, 2023-0045, 2023-0047, 2023-0048, and 2023-0061. Motion carried.

2023-0021 Move this case to a hearing.

2023-0024 Ms. Carmichael moved, second by Ms. Scotton, that the Board dismiss this case with a warning to communicate with the client about any changes in assignment conditions during the assignment, and to take more care in accurately reporting and analyzing the attributes of the property, conditioned upon completion of the 15-Hour cost approach and the 15-Hour USPAP course. Motion carried.

2023-0028 Dismiss this case conditioned upon completion of a 30-Hour sales comparison approach course.

2023-0029 Dismiss this case with a warning to review the UAD ratings and ensure they are applied correctly to the subject along with the comparable sales and apply adjustments when required.

2023-0032 Dismiss this case conditioned upon completion of the 15-Hour USPAP course.

2023-0037 Ms. Scotton moved, second by Ms. Aufrance, that the Board dismiss this case with a warning to proofread reports to ensure adequate explanation to show compliance with Fannie Mae's guidelines, conditioned upon completion of a course in complex properties. Motion carried.

2023-0038 Dismiss this case.

2023-0043 Dismiss this case conditioned upon completion of the 15-Hour USPAP course and a sales comparison course.

2023-0044 Dismiss this case.

2023-0045 Ms. Coley moved, second by Mr. Taylor, that the Board dismiss this case with a warning to carefully proofread appraisal reports, conditioned upon completion of a course in appraiser liability. Motion carried.

- 2023-0047** Ms. Coley moved, second by Mr. Chase, that the Board move this case to a hearing. Motion carried.
- 2023-0048** Ms. Coley moved, second by Mr. Chase, that the Board move this case to a hearing. Motion carried.
- 2023-0051** Dismiss this case with a warning to apply time adjustments, when appropriate, conditioned upon completion of a course in appraising in changing markets.
- 2023-0061** Ms. Carmichael moved, second by Ms. Coley, that the Board dismiss this case conditioned upon completion of a course in appraising condominiums and report writing. Motion carried.
- 2023-0063** Dismiss this case conditioned upon completion of a course in report writing and GSE or Fannie Mae guidelines.
- 2023-0087** Dismiss this case with a warning to include the cost approach, when applicable.
- 2023-0100** Move this case to a hearing.

The Board reviewed the Pending Hearing Report (**Exhibit 3**) and the Disciplinary Actions Year-to-Date (**Exhibit 4**).

The Board reviewed The Appraisal Foundation report (**Exhibit 5**).

Staff Report

The ASC finalized the report for the Board's review last fall. The Board received an Excellent rating for the Appraiser program and a Good Rating for the AMC program. There was one issue with the AMC program and staff have corrected the issue. These reports will be included in the April meeting packet.

Mr. Rodgers will be addressing the Spring Meeting of the NC Society of Farm Managers and Rural Appraisers on March 7, 2024. He will address current topics concerning the appraisal profession in NC and on a national level.

Mr. Rodgers will also be addressing the NC Chapter of the Appraisal Institute via a Zoom call on March 26, 2024.

The Spring AARO Conference will be May 3-5th in Nashville, TN. The approved travel dates are May 2 – 6, 2024. Please let Ms. Sealy know whether or not you plan to attend. If we have not heard from you, staff will reach out prior to the April 5, 2024, deadline for submitting registrations. There will be additional training for regulators on the morning of May 3, 2024. Let staff know if you would like to register for that as well.

MINUTES
March 5, 2024
Page 4

All Board Members are reminded that their Statement of Economic Information forms are due by April 15, 2024.

The next Board meeting will be April 9, 2024, at the Hilton Garden Inn, Charlotte Airport, which is located between I-85 and I-77 off of Billy Graham Parkway. The Board meeting will begin at 9:00am and the public hearing on the proposed rules will begin at 10:00am. If the general meeting has not concluded at that time it will resume after the public hearing.

A link to the proposed rules is on the first page of the website. As a reminder the Board will be accepting written comments until 5:00pm on May 14, 2024.

Ms. Aufrance moved, second by Ms. Carmichael, that the Board go into closed session. Motion carried.

Ms. Carmichael moved, second by Mr. Taylor, that the Board go back into open session. Motion carried.

Report from closed session announced in open session:

Consent Orders

2023-0017 Bobby D. Hensley

Ms. Coley moved, seconded by Ms. Carmichael, effective March 6, 2024, Bobby Hensley's certification as a residential appraiser is reprimanded. No later than September 6, 2024, Respondent shall complete the following coursework: the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) course; a continuing education course on Appraiser Liability; and The Appraisal Foundation's corrective education course entitled, "Sales Comparison Approach Reconciliation." The hours for the above course work shall not be used for Respondent's required continuing education hours. If Respondent fails to successfully complete the courses by September 6, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office. Motion carried.

There being no further business to come before the Board, Mr. Morgan moved, second by Ms. Aufrance, that the meeting be adjourned. Motion carried.

Donald T. Rodgers, Executive Director

This, the _____ day of April 2024.

Mike Warren, Chair

21 NCAC 57A .0204 CONTINUING EDUCATION

This change includes some technical amendments and incorporates the new requirements within the AQB Real Property Appraiser Qualification Criteria that goes into effect on January 1, 2026, regarding the USPAP course name change and the addition of a course on Valuation Bias and Fair Housing Laws. It also clarifies the timeframe of current continuing education requirements and better explains the out of state affidavit option for continuing education.

21 NCAC 57A .0206 EXPIRED REGISTRATION, LICENSE OR CERTIFICATE

This change incorporates the new requirements within the AQB Real Property Appraiser Qualification Criteria that goes into effect on January 1, 2026, regarding the USPAP course name change and the addition of a course on Valuation Bias and Fair Housing Laws.

21 NCAC 57A .0301 TIME AND PLACE

This change removes the limitation on the number of attempts to take the exam from five per application and changes the pass date from one year to 24 months.

21 NCAC 57A .0303 RE-EXAMINATION

This change extends the exam approval from one year to 24 months in accordance with the AQB Criteria.

21 NCAC 57A .0406 BUSINESS PRACTICES

This rule is being repealed.

21 NCAC 57A .0501 APPRAISAL STANDARDS

This change removes the cost of the USPAP books as it is not a fee determined by the Board and is no longer accurate.

21 NCAC 57B .0302 COURSE CONTENT

This change removes the reference to Guide Note 1 as it no longer outlines all the course content requirements within the AQB Real Property Appraiser Qualification Criteria that goes into effect on January 1, 2026.

21 NCAC 57D .0101 FORM

This change incorporates the current AMC registration application questions needed in accordance with the AMC Final Rule.

21 NCAC 57D .0202 REGISTRATION RENEWAL

This change incorporates some technical changes, incorporates the current AMC renewal application questions needed in accordance with the AMC Final Rule, clarifies the year as being a calendar year.

21 NCAC 57D .0302 CHANGE OF NAME OR CONTACT INFORMATION

This change amends the rule name to state Change in Registration & Reporting Requirements. It lists all actions that need be reported to the Board such as a change adding name, federal ID, bond, ownership, organizational structure, registered agent, and events that may cause the AMC to no longer be in compliance with rules and laws. It adds requirements for reporting changes to the designated compliance person and owners over 10% in advance. It clarifies days as business days.

1 21 NCAC 57A .0204 is proposed for amendment as follows:

2
3 **21 NCAC 57A .0204 CONTINUING EDUCATION**

4 (a) All registered trainees, real estate appraiser licensees, and certificate holders shall, upon the renewal of their
5 registration, license, or certificate in every odd-numbered year, have obtained continuing education, as required by
6 this Rule. Trainees and appraisers who initially registered with the Board after January 1 of an ~~odd-numbered odd-~~
7 numbered year are not required to obtain continuing education for renewal of their registration in that ~~odd-numbered~~
8 odd-numbered year.

9 (b) Each trainee, licensee, and certificate holder who is required to obtain continuing education pursuant to Paragraph
10 (a) of this Rule shall complete 28 hours of continuing education before June 1 of every ~~odd-numbered odd-numbered~~
11 year. Specific topics required as part of the 28 hours of continuing education are outlined in Paragraph (d) of this Rule.
12 Except as provided in Paragraphs (g) and (h) of this Rule, such education shall have been obtained by taking courses
13 approved by the Board for continuing education credit, at schools approved by the Board to offer such courses, as set
14 forth in 21 NCAC 57B .0603. Such education shall relate to real estate appraisers maintaining and increasing their
15 skill, knowledge, and competency in real property appraising. There is no exemption from the continuing education
16 requirement for trainees or appraisers whose status has been upgraded to the level of licensed residential, certified
17 residential, or certified general appraiser, since the issuance or most recent renewal of their registration, license, or
18 certificate. Trainees, licensees, and certificate holders shall not take the same continuing education course more than
19 once during the two-year continuing education cycle.

20 (c) Each appraisal continuing education course shall include a minimum of two classroom hours of instruction on real
21 estate appraisal or related topics, as set forth in the Real Property Appraiser Qualification Criteria as implemented by
22 The Appraisal Foundation's Appraiser Qualifications Board.

23 (d) Each trainee, licensee, and certificate holder who is required to obtain continuing education pursuant to Paragraph
24 (a) of this Rule shall, as part of the 28 hours of continuing education required in Paragraph (b) of this Rule, complete
25 the seven hour National USPAP ~~update course~~ Continuing Education course, as required by the Appraiser
26 Qualifications Board of the Appraisal Foundation, between October 1 of an odd-numbered year and June 1 of an even
27 numbered year, as required by the Appraiser Qualifications Board of the Appraisal Foundation. year. Beginning June
28 1, 2025, each trainee, licensee, and certificate holder shall successfully complete a course which meets the content
29 requirements of the Valuation Bias and Fair Housing Laws and Regulations outline as set forth in the Real Property
30 Appraiser Qualification Criteria, every continuing education cycle. The first time a trainee, licensee, or certificate
31 holder completes the continuing education requirements of the Valuation Bias and Fair Housing Laws and Regulations
32 requirement, the course length must be at least seven hours. If an appraiser successfully completes the seven hour
33 (plus one hour exam) course as part of their qualifying education, they have met this requirement. Each continuing
34 education cycle thereafter, the course length shall be at least four hours.

35 (e) A trainee, licensee, or certificate holder who completes approved continuing education courses in excess of the
36 requirement shall not carry over into the subsequent years any continuing education credit.

1 (f) Course sponsors shall provide a certificate of course completion to each trainee, licensee, and certificate holder
2 who completes a course, as set forth in 21 NCAC 57B .0603. In addition, course sponsors shall send to the Board a
3 roster of all who completed the course. This roster shall be sent within 15 days of completion of the course. In order
4 to renew a registration, license, or certificate in a timely manner, the Board shall receive proof of satisfaction of the
5 continuing education requirement prior to processing a registration, license, or certificate renewal application. Proof
6 of satisfaction shall be made by receipt of a roster from a school or course sponsor showing the courses completed by
7 the ~~applicant or by submission of an original certificate of course completion.~~ applicant. If proof of having satisfied
8 the continuing education requirement is not provided, the registration, license, or certificate shall expire and the
9 trainee, licensee, or certificate holder shall be subject to the provisions of Rules .0203(e) and .0206 of this Section.

10 (g) A current or former trainee, licensee, or certificate holder may request that the Board grant continuing education
11 credit for a course that has been completed but is not approved by the Board, or for appraisal education activity
12 equivalent to a Board approved course, by making such request and submitting a non-refundable fee of fifty dollars
13 (\$50.00) as set out in G.S. 93E-1-8(d) for each course or type of appraisal education activity to be evaluated.
14 Continuing education credit for a non-approved course shall be granted only if the trainee, licensee, or certificate
15 holder provides proof of course completion and the Board finds that the course satisfies the requirements for approval
16 of appraisal continuing education courses with regard to subject matter, course length, instructor qualifications, and
17 student attendance, as set forth in 21 NCAC 57B .0603. Appraisal education activities for which credit may be awarded
18 include teaching appraisal courses, authorship of appraisal textbooks, and development of instructional materials on
19 appraisal subjects. Up to 14 hours of continuing education credit may be granted in each continuing education cycle
20 for participation in appraisal education activities. Trainees, licensed or certified appraisers who have taught an
21 appraisal course approved by the Board for continuing education credit are deemed to have taken an equivalent course
22 and are not subject to the fee prescribed in G.S. 93E-1-8(d), provided they submit verification of having taught the
23 course(s). A trainee, licensee, or certificate holder who teaches a Board approved continuing education course shall
24 not receive continuing education credit for the same course more than once every two years, regardless of how often
25 he or she teaches the course. Requests for equivalent approval for continuing education credit shall be received before
26 June 15 of an odd-numbered year to be credited towards the continuing education requirement for that odd-numbered
27 year.

28 (h) A trainee, licensee, or certificate holder may receive continuing education credit by taking any of the Board
29 approved precertification courses, other than Basic Appraisal Principles and Basic Appraisal Procedures, or their
30 approved equivalents. Trainees, licensees, and certificate holders who wish to use a precertification course for
31 continuing education credit shall comply with the provisions of 21 NCAC 57B .0604.

32 (i) A licensee or certificate holder who resides in another state, and is currently credentialed in another state, may
33 satisfy the continuing education requirements by submitting an affidavit prior to renewal which lists the course
34 provider, title, hours, and date of completion of all continuing education completed within the current continuing
35 education cycle. The Board will audit no less than ten percent of licensees who renew with an affidavit. A licensee or
36 certificate holder selected for a continuing education audit shall make the certificates available to the Board upon
37 request. A licensee or certificate holder who became licensed in North Carolina by licensure or certification with

1 another state and now resides in North Carolina may renew by affidavit for his or her first renewal as a resident of
2 North Carolina only if the appraiser moved to North Carolina on or after January 1 of an odd-numbered year. If an
3 appraiser was a resident of this state before January 1 of an odd-numbered year, the appraiser shall comply with the
4 requirements of this section regardless of how the license or certificate was obtained.

5 (j) A trainee, licensee, or certificate holder who returns from active military duty on or after February 1 of an odd-
6 numbered year may renew his or her registration, license, or certificate in that odd-numbered year even if the required
7 continuing education is not completed before June 1 of that year. ~~All~~ When a trainee, licensee, or certificate holder
8 returns from active duty, all required continuing education shall be completed ~~within 180 days of when the trainee,~~
9 ~~licensee, or certificate holder returns from active duty.~~ pursuant to the Real Property Appraiser Qualification Criteria
10 as implemented by The Appraisal Foundation's Appraiser Qualifications Board. The Board shall immediately place
11 any licensee or certificate holder enrolled in the Appraisal Subcommittee's National Registry in an inactive status and
12 may revoke the registration, license, or certificate in accordance with 93E-1-12 if the required continuing education
13 is not completed ~~within 180 days.~~ pursuant to the Real Property Appraiser Qualification Criteria as implemented by
14 The Appraisal Foundation's Appraiser Qualifications Board. This Paragraph applies to an individual who is serving
15 in the armed forces of the United States and to whom G.S. 105-249.2 grants an extension of time to file a tax return.

16
17 *History Note: Authority G.S. 93B-15; 93E-1-7(a); 93E-1-10;*

18 *Eff. July 1, 1994;*

19 *Amended Eff. July 1, 2014; January 1, 2013; July 1, 2011; July 1, 2010; January 1, 2008; March*
20 *1, 2007; March 1, 2006; July 1, 2005; July 1, 2003; August 1, 2002; April 1, 1999;*

21 *Pursuant to G.S. 150B.21.3A, rule is necessary without substantive public interest Eff. October 3,*
22 *2017;*

23 *Amended Eff. July 1, 2024; July 1, 2022; July 1, 2019; July 1, 2018.*

1 21 NCAC 57A .0206 is proposed for amendment as follows:

2
3 **21 NCAC 57A .0206 EXPIRED REGISTRATION, LICENSE OR CERTIFICATE**

4 (a) Expired registrations, licenses, and certificates may be reinstated within 12 months after expiration upon payment
5 to the Board of the renewal and late filing fees as set out in G.S. 93E-1-7, and proof of having obtained the continuing
6 education that would have been required had the registration, license, or certificate been ~~renewed~~ renewed, including
7 the most recent seven hour National USPAP Continuing Education course and the required number of hours of a
8 course which meets the content requirements of the Valuation Bias and Fair Housing Laws and Regulations outline
9 as set forth in the Real Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's
10 Appraiser Qualifications Board.

11 (b) If a registration, license, or certificate has been expired for more than 12 months, but less than five years, an
12 applicant may apply for reinstatement. In order to be considered for reinstatement, the applicant shall pay the filing
13 fee as set out in G.S. 93E-1-7 and include in the application proof that the applicant has obtained the continuing
14 education that would have been required had the registration, license, or certificate been continuously renewed, which
15 shall include the most recent edition of the seven hour National USPAP ~~update~~ Continuing Education course and the
16 required number of hours of a course which meets the content requirements of the Valuation Bias and Fair Housing
17 Laws and Regulations outline, as required by the ~~Appraiser Qualifications Board of the Appraisal Foundation~~ Real
18 Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's Appraiser Qualifications
19 Board. In addition, the Board shall consider whether the applicant for reinstatement has any prior or current
20 disciplinary actions, and shall examine the applicant's fitness for registration, licensure, or certification before granting
21 the request for reinstatement. A completed application for reinstatement shall be received by June 1 of the fifth year
22 after the registration, license, or certificate expired or it shall not be accepted.

23 (c) An application for reinstatement shall not be granted if the registration, license, or certificate has been expired for
24 more than five years.

25 (d) Reinstatement is effective on the date it is issued by the Board. It is not retroactive.

26 (e) A trainee or appraiser whose registration, license, or certification has expired and who is returning from active
27 military duty may renew his or her registration, license, or certificate when the trainee or appraiser returns from active
28 duty without payment of a late filing fee as long as the trainee or appraiser renews the registration, license, or certificate
29 within ~~180 days of when the trainee or appraiser returns from active duty~~ the timeframe outlined in the Real Property
30 Appraiser Qualification Criteria as implemented by The Appraisal Foundation's Appraiser Qualifications Board. This
31 Rule applies to an individual who is serving in the armed forces of the United States and to whom G.S. 105-249.2
32 grants an extension of time to file a tax return.

33
34 *History Note Authority G.S. 93E-1-6(b); 93E-1-7; 93E-1-10;*
35 *Eff. July 1, 1994;*
36 *Amended Eff. September 1, 2014; July 1, 2014; July 1, 2011; September 1, 2008; March 1, 2007;*
37 *July 1, 2005; August 1, 2002; April 1, 1999;*

1 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
2 *2017;*
3 *Amended Eff. July 1, 2024; July 1, 2022.*

1 21 NCAC 57A .0301 is proposed for amendment as follows:

2
3 **21 NCAC 57A .0301 TIME AND PLACE**

4 (a) Applicants who have completed the education and experience requirements for licensure or certification as set
5 forth in G.S. 93E-1-6 shall be issued an examination approval form by the Board. The examination approval form is
6 valid for ~~five attempts at the examination or for one year~~ 24 months from date of issuance, ~~whichever comes first.~~
7 issuance.

8 (b) As set forth in the Real Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's
9 Appraiser Qualifications Board, examination results are valid for 24 months from the date the examination is
10 completed.

11
12 *History Note: Authority G.S. 93E-1-6(c); 93E-1-10;*
13 *Eff. July 1, 1994;*
14 *Amended Eff. July 1, 2014; January 1, 2013; September 1, 2008; January 1, 2008; April 1, 2006;*
15 *July 1, 2005; August 1, 2002; April 1, 1999;*
16 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
17 *2017;*
18 *Amended Eff. July 1, 2024; May 1, 2020.*

1 21 NCAC 57A .0303 is proposed for amendment as follows:

2

3 **21 NCAC 57A .0303 RE-EXAMINATION**

4 (a) Applicants for an appraiser license or certificate who fail to pass or appear for any examination for which the
5 applicant has been scheduled by the Board-approved private testing service, may schedule a subsequent examination
6 and shall pay the prescribed examination testing fees to the Board-approved private testing service.

7 (b) ~~Applicants may take the examination no more than five times per application.~~ If an applicant fails the examination,
8 the applicant ~~must~~ shall wait a minimum of 30 days before retaking the examination. If the applicant does not pass the
9 examination ~~by the fifth attempt at the examination or within one year of~~ 24 months from the date of issuance of the
10 examination approval form, the application shall be cancelled.

11

12 *History Note: Authority G.S. 93E-1-6; 93E-1-10;*

13 *Eff. July 1, 1994;*

14 *Amended Eff. July 1, 2014; January 1, 2013; September 1, 2008; July 1, 2005; August 1, 2002;*

15 *April 1, 1999;*

16 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*

17 *2017;*

18 *Amended Eff. July 1, 2024.*

1 21 NCAC 57A .0406 is proposed for repeal as follows:

2

3 **21 NCAC 57A .0406 BUSINESS PRACTICES**

4

5 *Authority G.S. 93E-1-3(b); 93E-1-10;*

6 *Repealed Eff. July 1, 2024.*

1 21 NCAC 57A .0501 is proposed for amendment as follows:

2
3 **21 NCAC 57A .0501 APPRAISAL STANDARDS**

4 (a) Every registered trainee, licensed and certified real estate appraiser shall comply with the following provisions of
5 the "Uniform Standards of Professional Appraisal Practice" (USPAP) promulgated by the Appraisal Standards Board
6 of the Appraisal Foundation, all of which are incorporated by reference including subsequent amendments and
7 editions:

- 8 (1) Definitions;
- 9 (2) Preamble;
- 10 (3) Ethics Rule;
- 11 (4) Record Keeping Rule;
- 12 (5) Competency Rule;
- 13 (6) Scope of Work Rule;
- 14 (7) Jurisdictional Exception Rule; and
- 15 (8) Standards Rules 1, 2, 3, and 4.

16 (b) A copy of USPAP may be obtained from the Appraisal Foundation at <https://www.appraisalfoundation.org>. The
17 cost for a copy of USPAP is ~~seventy five dollars (\$75.00)~~ shall be no more than the fee set by the Appraisal
18 Foundation.

19
20 *History Note: Authority G.S. 93E-1-10;*
21 *Eff. July 1, 1994;*
22 *Amended Eff. July 1, 2016; January 1, 2013; January 1, 2008; July 1, 2005; August 1, 2002; April*
23 *1, 1999;*
24 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
25 *2017;*
26 *Amended Eff. July 1, 2024; July 1, 2022; August 1, 2018.*

1 21 NCAC 57B .0302 is proposed for amendment as follows:
2

3 **21 NCAC 57B .0302 COURSE CONTENT**

4 (a) All courses shall consist of instruction in the subject areas outlined in the ~~Appraiser Qualification Board's Guide~~
5 ~~Note 1. Real Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's Appraiser~~
6 ~~Qualifications Board. Guide Note 1. The Real Property Appraiser Qualification Criteria~~ may be accessed at the
7 Appraisal Foundation website at www.appraisalfoundation.org.

8 (b) Partial credit shall be awarded when only part of the course covers the subject areas outlined in ~~Appraiser~~
9 ~~Qualification Board's Guide Note 1. the Real Property Appraiser Qualification Criteria as implemented by The~~
10 ~~Appraisal Foundation's Appraiser Qualifications Board.~~

11 (c) On or before the first class meeting day of the Basic Appraisal Principles course, the instructor shall give to each
12 student a handout prepared by the Board regarding the trainee registration process and the process to upgrade to a
13 licensed or certified appraiser. The student handout may be accessed on the Board's website at
14 www.ncappraisalboard.org.

15
16 *History Note: Authority G.S. 93E-1-6; 93E-1-8(a); 93E-1-10;*
17 *Eff. July 1, 1994;*
18 *Amended Eff. July 1, 2014; September 1, 2008; January 1, 2008; July 1, 2005; August 1, 2002;*
19 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
20 *2017;*
21 *Amended Eff. July 1, 2024; May 1, 2020; September 1, 2019.*

1 21 NCAC 57D .0101 is proposed for amendment as follows:

2
3 **21 NCAC 57D .0101 FORM**

4 An appraisal management company that wishes to file an application for an appraisal management company certificate
5 of registration may obtain the required form upon request to the Board or on the Board's website at
6 www.ncappraisalboard.org. The appraisal management company shall submit an application that includes the
7 following information:

- 8 (1) the legal name of the applicant;
- 9 (2) the name under which the applicant will do business in North Carolina;
- 10 (3) the type of business entity;
- 11 (4) the address of its principal office;
- 12 (5) the applicant's NC Secretary of State Identification Number if required to be registered with the
13 Office of the NC Secretary of State;
- 14 (6) a completed application for approval of the compliance manager;
- 15 (7) any past criminal conviction of and any pending criminal charge against the compliance manager
16 and any person or entity that owns over 10 percent or more of the appraisal management company;
- 17 (8) any past revocation, ~~suspension~~, surrender in lieu of revocation, cancellation, refusal, or denial of
18 an appraisal license of any person or entity that owns any part, directly or indirectly, of the appraisal
19 management company;
- 20 (9) any disciplinary action taken against the applicant, including the effective date of the disciplinary
21 action and whether the applicant has complied;
- 22 (10) other States where the applicant is registered to operate, if applicable;
- 23 (11) applicant's employer identification number (EIN);
- 24 (12) if a general partnership, a description of the applicant entity, including a copy of its written
25 partnership agreement or, if no written agreement exists, a written description of the rights and duties
26 of the several partners;
- 27 (13) if a business entity other than a corporation, limited liability company, or partnership, a description
28 of the organization of the applicant entity, including a copy of its organizational documents;
- 29 (14) if a foreign business entity, a certificate of authority to transact business in North Carolina and an
30 executed consent to service of process and pleadings; ~~and~~
- 31 (15) a certification that the applicant has obtained a surety bond as required by ~~G.S. 93E 2-4(g)~~; G.S.
32 93E 2-4(g);
- 33 (16) the name, address, and contact information for any individual or business entity that directly or
34 indirectly owns over 10 percent of the appraisal management company; and
- 35 (17) the annual size of the appraisal panel in this state and nationwide of the appraisal management
36 company for the previous calendar year.

1 *History Note: Authority G.S. 93E-2-4;*
2 *Eff. January 1, 2011;*
3 *Amended Eff. July 1, 2014;*
4 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
5 *2017;*
6 *Amended Eff. July 1, 2024; May 1, 2020.*

1 21 NCAC 57D .0202 is proposed for amendment as follows:

2
3 **21 NCAC 57D .0202 REGISTRATION RENEWAL**

4 (a) All registrations shall expire on June 30 of each year, unless renewed during the renewal period. The renewal
5 period shall be from May 1 through June 30 of each year.

6 (b) A holder of an appraisal management company registration applying for renewal of registration shall apply in
7 writing upon the form provided by the Board or log into the licensee login section on the Board's website and shall
8 pay the renewal fee. The renewal fee shall be two thousand dollars (~~(\$2000)~~ (\$2,000)). The renewal fee is not refundable
9 on or after July 1.

10 (c) The renewal form shall include the following:

- 11 (1) The appraisal management company's name and registration number;
- 12 (2) the contact person for renewal;
- 13 (3) the updated address for the company, service of process agent, direct and indirect owners over 10
14 percent, and compliance manager, if applicable;
- 15 (4) whether the company owner(s) or compliance manager have had an appraiser credential refused,
16 denied, cancelled, surrendered in lieu of revocation, or revoked in any state;
- 17 (5) a copy of the surety bond that expires no sooner than June 30th of the year following renewal;
- 18 (6) the signature of the applicant; and
- 19 (7) the operation type, total number of appraisers on the panel in North Carolina for the previous
20 calendar year, the total number of appraisers on the panel nationwide for the previous calendar year,
21 and the number of appraisers on the panel who performed one or more appraisals in connection with
22 a covered transaction in North Carolina for the previous calendar year.

23 (d) In addition to the renewal fee, an appraisal management company shall submit with its renewal the annual appraisal
24 management company registry fee required by the Appraisal Subcommittee pursuant to 12 C.F.R. 1102.402. The fee
25 shall then be transmitted by the Board to the Appraisal Subcommittee.

26 (e) Any company who acts or holds itself out as a registered appraisal management company while its appraisal
27 management company registration is expired shall be subject to disciplinary action and penalties in G.S. 93E-2-8 and
28 G.S. 93E-2-10.

29
30 *History Note: Authority G.S. 93E-2-3; 93E-2-4; 93E-2-6; 93E-2-8; 93E-2-10;*

31 *Eff. January 1, 2011;*

32 *Amended Eff. July 1, 2014;*

33 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
34 *2017;*

35 *Amended Eff. July 1, 2024; July 1, 2022; July 1, 2018.*

1 21 NCAC 57D .0302 is proposed for amendment as follows:

2
3 **21 NCAC 57D .0302** **CHANGE OF NAME OR CONTACT INFORMATION IN REGISTRATION &**
4 **REPORTING REQUIREMENTS**

5 (a) Appraisal management companies shall notify the Board in writing of each change of name, trade name, federal
6 identification number, organizational status, ownership structure, compliance manager, surety bond, registered agent,
7 business address, telephone number, or email address within 10 business days of said change. The address shall be
8 sufficiently descriptive to enable the Board to electronically correspond with and physically locate the appraisal
9 management company.

10 (b) If an appraisal management company intends to change its designated compliance manager or direct or indirect
11 owner, it must notify the Board at least 10 business days before the effective date of the intended change and submit
12 an application for approval of the designated compliance manager or any new direct or indirect owner who will own
13 more than 10 percent of the appraisal management company. The application shall include a criminal records check
14 pursuant to G.S. 93E-2-11.

15 (c) If the appraisal management company has an unexpected change to its designated compliance manager or direct
16 or indirect owner and is unable to provide at least 10 business days' notice of the change, the company shall have 10
17 business days from the unexpected change to notify the Board. An application shall be submitted to the Board, which
18 shall include a criminal records check pursuant to G.S. 93E-2-11, within 15 business days of when an interim
19 designated compliance manager, a new designated compliance manager, or any new direct or indirect owner that owns
20 more than 10 percent of the appraisal management company as a result of the unexpected change is appointed, hired,
21 or otherwise determined.

22 (d) Appraisal management companies shall notify the Board in writing within 10 business days of any event that may
23 cause the applicant or registration to be disciplined in accordance with G.S. 93E-2-8(a).

24
25 *History Note: Authority G.S. 93E-2-3; 93E-2-9;*

26 *Eff. January 1, 2011;*

27 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*

28 *2017; 2017;*

29 *Amended Eff. July 1, 2024.*

	Date Rec'd	Case Number	Status
1	9/25/2023	2023-0107	Pend Hearing
2	9/14/2023	2023-0100	Pend Hearing
3	8/8/2023	2023-0084	Pend Hearing
4	7/27/2023	2023-0071	Pend Hearing
5	6/12/2023	2023-0048	Pend Hearing
6	6/5/2023	2023-0047	Pend Hearing
7	3/3/2023	2023-0021	Pend Hearing
8	3/2/2023	2023-0019	Pend Hearing
9	12/21/2022	2022-0113	Pend Hearing

2024 Disciplinary Actions*

	Carryover from 2023	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
YTD received	131	4	10	12									
Pending inquiry	111	115	104	89									
Hearing pending	6	6	6	9									
Total Pending	117	121	110	98									
PC done this mo.		n/a	18	17									
-PC found		n/a	3	4									
-dismiss		n/a	8	2									
-dismiss W/CD**		n/a	7	11									
Hearings held		n/a	0	0									
Consent orders		n/a	3	1									

*As of the last day of the month

**Dismiss W/CD = Dismiss with warning or conditional dismissal

NORTH CAROLINA APPRAISAL BOARD

NEW APPRAISER REGISTER

<u>LICENSE</u>	<u>NAME</u>	<u>CITY</u>	<u>TYPE</u>	<u>DATE ISS</u>	<u>REMARKS*</u>
T7237	BRANDI J GARRETT	BURLINGTON	T	12/7/2023	ED
T7238	MELISSA N NEWBERRY	FORT MILL, SC	T	12/7/2023	ED
T7239	JAMES H RENTZ, JR.	ASHEVILLE	T	12/7/2023	ED
A9267	LISA A MOORE	WINTERVILLE	L	12/7/2023	EX
A9268	SAIMIR OGRANAJA	CHARLOTTE	L	12/7/2023	EX
A9269	STEFAN A KELISCHEK	MORRISVILLE, VT	C	12/7/2023	EQ
A9270	BENJAMIN D NOURSE	CLOVER, SC	C	12/7/2023	EQ
A9271	ANGIE H POTTER	KINSTON	C	12/7/2023	EX
A9272	RYAN S WALKER	CHARLOTTE	G	12/7/2023	EX
A9273	CHRISTOPHER M WILLIAMS	SHAWNEE, KS	G	12/7/2023	EQ
T7240	SCOTT W MEITZLER	GREENSBORO	T	12/15/2023	ED
T7241	ZHIVIAGA P WILLIAMS	SALISBURY	T	12/15/2023	ED
A9274	XAVIER A HARGROVE	CARY	C	12/15/2023	EX
A9275	MARCEL W KOOIMAN	WILMINGTON	C	12/15/2023	EQ
A9276	LATISHA L SULLIVAN	JACKSON SPRINGS	C	12/15/2023	EX
A9277	NICHOLAS A TEHAN	SUMMIT, WI	C	12/15/2023	EQ
A9278	DOUGLAS F MCAFEE	BLAIRSVILLE, GA	G	12/15/2023	EQ
A9279	JOHN J MUSNUFF	HIGH BRIDGE, NJ	G	12/15/2023	EQ
T7242	SUZANNE J BECKER	CLOVER, SC	T	12/28/2023	ED
T7243	JEREMY T HOLLAR	CONNELLY SPRINGS	T	12/28/2023	ED
T7244	KAMUELA A KANESHIRO	WILMINGTON	T	12/28/2023	ED
T7245	EBONIE Q MCMULLAN	CHARLOTTE	T	12/28/2023	ED
A9280	BRIANA D JOHNSON	HARTSVILLE, SC	C	12/28/2023	EQ
A9281	KEITH P LAZARUS	CONCORD	C	12/28/2023	EX
A9282	SEAN P TEHAN	NEW BERLIN, WI	C	12/28/2023	EQ
A8838	JAN M KELLY	LOS ANGELES, CA	G	12/28/2023	EQ

* Note: EX = EXAM; EQ = EQUIVALENT; ED= EDUCATION

NORTH CAROLINA APPRAISAL BOARD

NEW APPRAISER REGISTER

<u>LICENSE</u>	<u>NAME</u>	<u>CITY</u>	<u>TYPE</u>	<u>DATE ISS</u>	<u>REMARKS*</u>
T7246	EBONY S CLOUD	CHARLOTTE	T	1/5/2024	ED
A9283	MYLES D BROWN, SR	PHOENIX, AZ	C	1/5/2024	EQ
A9284	ROBERT K PEACOCK	GREENVILLE	C	1/5/2024	EX
A9285	STEPHEN R ST. AUBIN	MOORESVILLE	C	1/5/2024	EQ
A9286	SUSAN M WERENSKI	HICKORY	C	1/5/2024	EX
A9287	BRETT SUSZEK	CLARKSTON, MI	G	1/5/2024	EQ
T7247	ETHAN E GARRETT	CHARLOTTE	T	1/18/2024	ED
T7248	LARKEN P LANCASTER	CONCORD	T	1/18/2024	ED
A9288	RYAN O GRAMBLING	LONE OAK, TX	C	1/18/2024	EQ
A9289	KRYSTYNA GUT	WEST HARRISON, NY	G	1/18/2024	EQ
A6823	MARK E MOORE	CUMMING, GA	G	1/18/2024	EQ
A9290	SAMUEL D SHERWOOD	WASHINGTON, DC	G	1/18/2024	EQ
T7249	ALEXIS K PIERSON	JACKSONVILLE	T	1/25/2024	ED
T7250	ADAM P RANDOLPH	HUBERT	T	1/25/2024	ED
A6563	JODIE M COFFEY	MYRTLE BEACH, SC	C	1/25/2024	EQ
A9291	JEFFERY A MAZZAFERRI	CANTON, OH	C	1/25/2024	EQ
A9292	ALAN M. STEHLIK	INGLESIDE, IL	C	1/25/2024	EQ
A6581	SHADRACH M WINBORNE	MOUNT HOLLY	C	1/25/2024	EX
A8872	ROBERT L DOWDALL	DALLAS, TX	G	1/25/2024	EQ
A9293	JEB S FULLER	PEACHTREE CITY, GA	G	1/25/2024	EQ
A9294	ERIC C HOENING	TAMPA, FL	G	1/25/2024	EQ
A9295	JIMMY R. MARKS, JR	POWHATAN, VA	G	1/25/2024	EQ

* Note: EX = EXAM; EQ = EQUIVALENT; ED= EDUCATION

NORTH CAROLINA APPRAISAL BOARD

NEW APPRAISER REGISTER

<u>LICENSE</u>	<u>NAME</u>	<u>CITY</u>	<u>TYPE</u>	<u>DATE ISS</u>	<u>REMARKS*</u>
T7251	JOHN T KEEL	NEWPORT	T	2/1/2024	ED
T7252	CLIFFORD E SMITH	HUNTERSVILLE	T	2/1/2024	ED
A9296	BIRAN M BURNS	CEDAR POINT	L	2/1/2024	EX
A9297	SHANE E SARRETT	BECKLEY, WV	L	2/1/2024	EQ
A9298	HANNAH L MARTIN	GREENVILLE	C	2/1/2024	EX
T7253	AKBAR W ALSTON	CHARLOTTE	T	2/8/2024	ED
T7254	DAWNIELL M BOYKIN	GREENSBORO	T	2/8/2024	ED
T7255	JORDAN N CLINE	GRANITE FALLS	T	2/8/2024	ED
T7256	DAVID D FORREST	CHARLOTTE	T	2/8/2024	ED
T7257	JAMES A KEEL	NEWPORT	T	2/8/2024	ED
T7258	JADA A PERRY	CHARLOTTE	T	2/8/2024	ED
A9299	WILLIAM R SHAMBLIN	TUSCALOOSA, AL	C	2/8/2024	EQ
A9300	SAMUEL L HENDERSON	SAN ANTONIO, TX	G	2/8/2024	EQ
T7259	ANTHONY F SKLAVOUNAKIS	SHELBY	T	2/15/2024	ED
A9301	SCOTT D ROWLAND	PEACHTREE CITY, GA	L	2/15/2024	EX
A9302	MARGARET T DEESE	CHARLOTTE	C	2/15/2024	EX
A9303	SAMUEL K KNUDSON	SOUTHPORT	C	2/15/2024	EX
A9304	KELLY M GORMAN	CRANFORD, NJ	G	2/15/2024	EQ
A9305	GEORGE A GREEN	ANNISTON, AL	G	2/15/2004	EQ
A9306	MICHELLE R PETERSON	CHARLOTTE	G	2/15/2024	EX
T7260	EZEKIEL T HINTON	DURHAM	T	2/22/2024	ED
T6493	BRODY S MCCULLOUGH	LEXINGTON	T	2/22/2024	ED
T7261	JEFFREY M RAMSAY	WILMINGTON	T	2/22/2024	ED
A9307	ISAAC J STODDARD	NEBO	L	2/22/2024	EX
A9308	BRANDON A BOLINO	MORGAN HILL, CA	C	2/22/2024	EQ
A9309	MATTHEW W WASHINGTON	SUMTER, SC	C	2/22/2024	EX
A9310	ADAM N BUCHMAN	DEFIANCE, OH	G	2/22/2024	EQ

T7262	ANTHONY C SAIEED	GREENVILLE	T	2/29/2024	ED
A9311	SWARNALATHA CHANDRASHEKARAN	APEX	L	2/29/2024	EX
A9312	BRANDON K BRITT	RALEIGH	C	2/29/2024	EX
A9313	MARY L FALACE	LEXINGTON, KY	G	2/29/2024	EQ
A9314	NICOLE A FRANCIS	CUMMING, GA	G	2/29/2024	EQ
A9315	JOHN P LANCET	PALMETTO BAY, FL	G	2/29/2024	EQ

* Note: EX = EXAM; EQ = EQUIVALENT; ED= EDUCATION

NORTH CAROLINA APPRAISAL BOARD

NEW APPRAISER REGISTER

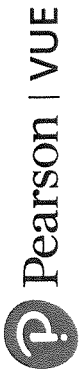
<u>LICENSE</u>	<u>NAME</u>	<u>CITY</u>	<u>TYPE</u>	<u>DATE ISS</u>	<u>REMARKS*</u>
T7263	JUDITH M HEFFNER	VASS	T	3/7/2024	ED
T7264	DANIEL J MCNALLY	CHARLOTTE	T	3/7/2024	ED
T7265	JULIA H MYERS	WAXHAW	T	3/7/2024	ED
T7266	ELIZABETH H WHITE	WINSTON-SALEM	T	3/7/2024	ED
A9316	ALEXIS NELSON	WAKE FOREST	L	3/7/2024	EX
A9317	MELISSA A MOORE	OCALA, FL	C	3/7/2024	EQ
A6743	PETER R MCDONALD	ST. LOUIS, MO	G	3/7/2024	EQ
A9318	ROBERT H ROSS	ANTIOCH, IL	G	3/7/2024	EQ
A9319	SEAN A SARGEANT	RUTLAND, VT	G	3/7/2024	EQ
T7267	STELLA D GRAFF	LUMBER BRIDGE	T	3/21/2024	ED
T7268	KATHRYN N LEWIS	HUNTERSVILLE	T	3/21/2024	ED
T7269	GRACE S ROBERTS	ASHEBORO	T	3/21/2024	ED
A7270	JESSICA M SMITH	IRON STATION	T	3/21/2024	ED
A9320	HOLLY B ROYAL	WINSTON-SALEM	L	3/21/2024	EX
A9321	JONATHAN C TATE	RALEIGH	C	3/21/2024	EX
A9322	DAVID A KUNKEL	SAINT PAUL, MN	G	3/21/2024	EQ

* Note: EX = EXAM; EQ = EQUIVALENT; ED= EDUCATION

04/02/2024

NORTH CAROLINA APPRAISAL BOARD
NEW APPRAISAL MANAGEMENT COMPANIES

<u>LICENSE</u>	<u>NAME OF COMPANY</u>	<u>LOCATION</u>	<u>DATE ISSUED</u>
NC-1267	Direct Appraisal Management, Corp.	IL	03-18-2024



Exam Performance Summary

PEARSON CONFIDENTIAL

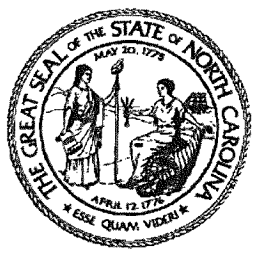
North Carolina Appraisers
 Client Name - Exam Series Code : North Carolina Appraisers
 Yes
 Standard Test Center
 Client Name - Test Center : North Carolina Appraisers
 Candidate Region : VUE Americas
 Custom Date Range (Click Run Below to Enter)
 12/1/2023 12:00:00 AM
 3/31/2024 12:00:00 AM

Printed By: Mindy Sealy
 Report Date: 01-Apr-2024 10:34 AM
 Data as of (CST): 01-Apr-2024 12:00 AM
 Date Range: 01-Dec-2023 to 31-Mar-2024

Total Appointments : 52
 Total No Shows : 0
 Total Canceled : 1
 Total Graded Exams : 51
 Total Scheduled : 0

Client Name: North Carolina Appraisers

Exam Series Code	Exam Title	First Time Takers			Repeaters			Total								
		Total Graded	Total Passed	Fail Rate	Total Graded	Total Passed	Fail Rate	Total Graded	Total Passed	Fail Rate						
22-NC-A	Licensed Residential Appraiser	11	7	64%	4	36%	7	1	14%	6	86%	18	8	44%	10	56%
22-NC-B	Certified Residential Appraiser	11	7	64%	4	36%	10	5	50%	5	50%	21	12	57%	9	43%
22-NC-C	Certified General Appraiser	5	2	40%	3	60%	7	4	57%	3	43%	12	6	50%	6	50%
Total		27	16	59%	11	41%	24	10	42%	14	58%	51	26	51%	25	49%



PUBLIC FORUM

North Carolina Appraisal Board

Name **Topic** **Time Requested**

None.

USPAP Q&As

2024 USPAP Q&A

Issue Date: March 6, 2024

The Appraisal Standards Board (ASB) of The Appraisal Foundation develops, interprets, and amends the Uniform Standards of Professional Appraisal Practice (USPAP) on behalf of appraisers and users of appraisal services. The USPAP Q&A is a form of guidance issued by the ASB to respond to questions raised by appraisers, enforcement officials, users of appraisal services and the public to illustrate the applicability of USPAP in specific situations and to offer advice from the ASB for the resolution of appraisal issues and problems. The USPAP Q&A may not represent the only possible solution to the issues discussed nor may the advice provided be applied equally to seemingly similar situations. USPAP Q&A does not establish new standards or interpret existing standards. USPAP Q&A is not part of USPAP and is approved by the ASB without public exposure and comment.

2024-04: Personal Inspection – Use of this term

Question: Am I required to use the term “personal inspection” in my appraisal report?

Answer: No. USPAP does not require use of the specific term “personal inspection”.

The term “personal inspection” is only used in USPAP in the certification requirements. For example, Standards Rule 2-3(a) states:

“I have/have not made a personal inspection of the property that is the subject of this report.”

The wording of a certification for each appraisal report does not have to match the exact wording of the applicable reporting standard (i.e., Standards Rules 2-3, 4-3, 6-3, 8-3 or 10-3) verbatim. The reporting standards only require that, at a minimum, each element addressed in the report’s signed certification must be the same elements noted in the applicable reporting standard (i.e., Standards Rule 2-4, 4-3, 6-3, 8-3 or 10-3).

Regarding a “personal inspection” (or the lack thereof), the appraiser can use different words to address this certification element; however, at a minimum, the USPAP meaning of the term “personal inspection” must be addressed.

For example, when addressing the “personal inspection” certification element in

Standards Rule 2-3(a), any of the statements below may be appropriate:

1. I have made a personal inspection of the property that is the subject of this report.
2. I inspected, on-site and as part of the scope of work performed for this assignment, the interior and exterior of the property that is the subject of this report.
3. I have, as part of the scope of work performed for this assignment, inspected in-person from the street, the exterior of the property that is the subject of this report.
4. I did not conduct a personal inspection of the subject property as part of the scope of work of this assignment. I have, however, previously inspected the interior and exterior for a prior appraisal assignment, of the subject property on (date).
5. I did not conduct a personal inspection of the subject property as part of the scope of work of this assignment. I have, however, previously inspected the interior and exterior of the subject property on (date).
6. The appraiser performed a complete visual inspection of the interior and exterior areas of the subject property. The appraiser's complete visual inspection was conducted onsite and in person as part of the scope of work of this assignment.
7. The appraiser has made a physical inspection of the property appraised and that the property owner, or [their] designated representative, was given the opportunity to accompany the appraiser on the property inspection.

2024-05 Personal Inspection – Inspection from a prior assignment

I recently completed an appraisal which included a personal inspection. Soon after I completed that assignment, I agreed to perform a new appraisal assignment on that same property, with the same effective date of value. My new client believes the inspection I did for the prior assignment provided sufficient information about the property to complete a new assignment. I agree that as part of the scope of work for my new assignment I do not need to perform a personal inspection to develop credible assignment results.

Question: For the new assignment, can I use the information I have already collected about the subject property?

Answer: As with any assignment, you might be able to use information and analyses developed for a previous assignment. Appraisers are often selected for subsequent assignments specifically because of experience and demonstrated competency in a prior assignment. However, one must be mindful of obligations relating to the use of confidential information.

Question: For the new assignment, can I certify I made a personal inspection?

Answer: No. If the appraiser has certified they made a personal inspection, under USPAP they are indicating they completed: “... *an in-person observation of the subject property as part of the scope of work for the assignment*”, which would not be true in this instance.

Question: My assignment from the new client requires my report to include a certification indicating I had “inspected the property as of the effective date of value”, and I am not allowed to modify or change the certification in any way. Since I did inspect the property as of the effective date of value, would this meet the requirement for addressing the USPAP certification element about “personal inspection”?

Answer: No. Given the assignment required the use of a certification that could not be altered, and the certification did not clearly and accurately address the USPAP certification elements about “personal inspection” it would be necessary to use a supplemental certification.

Standards Rule 2-3(d) states: *When an assignment requires the use of a certification that does not include all of the certification elements in this Standards Rule, the appraisal report must contain a supplemental certification, which includes the remaining required certification elements.*

2024-06: Personal Inspection – Need for additional disclosure

Question: The certification in my appraisal report satisfies the requirement to disclose if I have (or have not) made a personal inspection. Specifically, my certification states:

I inspected the interior and exterior of the subject property as part of the scope of work performed for this assignment.

Am I required to make an additional disclosure in my appraisal report related to my personal inspection?

Answer: There is no requirement for every appraisal report to include an additional disclosure; however, for some appraisal assignments, it may be necessary for you to include more details about your personal inspection in the report.

For example, the comment to Standards Rule 2-2(a)(viii) states:

Summarizing the scope of work includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

Therefore, when necessary, the appraisal report must include a more detailed disclosure about the personal inspection. This is to ensure that any intended user of the appraisal report is not misled about the scope of work performed (or not performed) as it relates to the inspection, and that the report complies with the applicable content requirements.

The more detailed disclosure can be in any part of the appraisal report, including in the certification.

USPAP Q&A

USPAP Q&As are posted on The Appraisal Foundation website (www.appraisalfoundation.org).

For further information regarding USPAP Q&A, please contact:

Lisa Desmarais, Vice President,
Appraisal Issues

The Appraisal Foundation
1155 15th Street, NW, Suite 1111
Washington, DC 20005

(202) 624-3044

lisad@appraisalfoundation.org

Mindy Sealy

From: The Appraisal Foundation <news+appraisalfoundation.org@iccontactmail2.com>
Sent: Monday, March 25, 2024 12:29 PM
To: Mindy Sealy
Subject: Kelly Davids Named President of The Appraisal Foundation

EXTERNAL EMAIL: This email originated from outside of NCAB. Do not click links or open attachments unless you recognize the sender and know the content is safe.



Kelly Davids Named President of The Appraisal Foundation

The Appraisal Foundation Board of Trustees voted today to name Kelly Davids as President of The Appraisal Foundation. Davids is the former Superintendent of the Ohio Division of Real Estate & Professional Licensing, the chief regulator for Ohio's appraisers, a former Foundation trustee, and a member of the staff since 2013. Her most recent role has been Senior Vice President.

"We are thrilled to have such a qualified person as Kelly Davids to lead the Foundation's next chapter," said Board of Trustees Chair Tracy Johnston. "With Kelly's thoughtful and inclusive vision for the organization, I have complete confidence that Kelly will meet and surpass the Board of Trustees initial expectations."

Today's vote was the culmination of a multi-year search process started in 2022 when President Dave Bunton informed the Board of Trustees of his intention to retire at the end of his current contract, which expires on December 31, 2024. The Board of Trustees brought in the outside CEO search firm, Association Strategies (ASI), to interview stakeholders, including the Appraisal Subcommittee, board members, and staff, and develop a candidate profile to identify the next organization president.

The CEO Search Committee, formed by the Board of Trustees in July 2023, decided to pursue an internal candidate search first to determine if any candidates met the criteria laid out in ASI's candidate profile. Following background and reference checks, three rounds of interviews, and a presentation, the Committee voted

unanimously to advance a recommendation to the full Board of Trustees to name Davids as the next Foundation President.

“After a comprehensive process, we are confident we have identified the right leader to take the Foundation forward,” said CEO Search Committee Chair and Immediate Past Chair Dayton Nordin.

“I had the privilege of collaborating with Kelly Davids during various pivotal moments at The Appraisal Foundation,” said past Board of Trustees Chair Tom Boyer, a member of the CEO Search Committee. “From our work together on the Board of Trustees to her instrumental role in shaping Vision 2030, I’ve consistently witnessed her unwavering commitment and exceptional leadership. Kelly’s innate ability to inspire and guide is unparalleled, and she possesses a rare blend of vision, determination, and strategic thinking. Her passion for advancing the field of appraisal is contagious, and I am convinced she was destined to lead The Appraisal Foundation. As we embark into this exciting new era under Kelly’s remarkable leadership supported by the incredibly talented staff, there will be unprecedented achievements and nothing short of marvels under her guidance. I eagerly anticipate the transformative impact Kelly Davids will bring to The Appraisal Foundation.”

Davids will officially assume the role of President on March 31, 2024. Current President Dave Bunton will transition to a new role as Senior Advisor the same day but remain an available resource to Foundation boards and staff on an as needed basis through the end of his contract on December 31, 2024.

Click [here](#) to read Davids’s biography.



The Appraisal Foundation is the nation’s foremost authority on the valuation profession. The organization sets the Congressionally-authorized standards and qualifications for real estate appraisers, and provides voluntary guidance on recognized valuation methods and techniques for all valuation professionals. This work advances the profession by ensuring that appraisals are independent, consistent, and objective. More information on The Appraisal Foundation is available at www.appraisalfoundation.org.

Manage Your Subscription

This message was sent to mindy@ncab.org from news@appraisalfoundation.org

The Appraisal Foundation
1155 15th Street NW STE 1111
Washington, DC 20005



1325 G Street, NW, Suite 500
Washington, DC 20005
www.asc.gov

February 16, 2024

Via Email

Mike Warren, Chairperson
North Carolina Appraisal Board
5830 Six Forks Road
Raleigh, NC 27609
Mike.Warren@mikewarrenappraisals.com

RE: ASC Compliance Review of North Carolina's Appraiser Regulatory Program

Dear Mike Warren:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the North Carolina appraiser regulatory program (Appraiser Program) on October 24-26, 2023, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program has been awarded an ASC Finding of "Excellent." North Carolina will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the North Carolina Appraiser Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

A handwritten signature in black ink, appearing to read 'James R. Park'. The signature is fluid and cursive, with a large initial 'J' and 'P'.

James R. Park
Executive Director

Attachment

cc: Don Rodgers, Executive Director, Don@ncab.org

ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> • State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure 	2-year
Good	<ul style="list-style-type: none"> • State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure 	2-year
Needs Improvement	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure 	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure 	1-year
Poor**	<ul style="list-style-type: none"> • State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure 	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

** An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



ASC State Appraiser Program Compliance Review Report

ASC Finding: Excellent						
Final Report Issue Date: February 16, 2024						
North Carolina Appraiser Regulatory Program (State) North Carolina Appraisal Board (Board)		ASC Compliance Review Date: October 24-26, 2023 Number of State Credentialed Appraisers on Appraiser Registry: 3,049	Review Period: November 2021 to October 2023 Review Cycle: Two Year			
PM: N. Fenochietti Umbrella Agency: Independent						
Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC			
Statutes, Regulations, Policies and Procedures:	X					
Temporary Practice:	X			N/A	None	None
National Registry:	X			N/A	None	None
Application Process:	X			N/A	None	None
Reciprocity:	X			N/A	None	None
Education:	X			N/A	None	None
Enforcement:	X			N/A	None	None
				N/A	None	None

February 16, 2024

Via Email

Mike Warren, Chairperson
North Carolina Appraisal Board
5830 Six Forks Road
Raleigh, NC 27609
Mike.Warren@mikewarrenappraisals.com

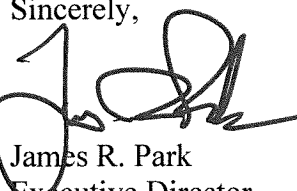
RE: ASC Compliance Review of North Carolina's Appraisal Management Company (AMC)
Regulatory Program

Dear Mike Warren:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the North Carolina AMC regulatory program (AMC Program) on October 24-26, 2023, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program has been awarded an ASC Finding of "Good." An area of concern that was identified is being addressed by the AMC Program. North Carolina will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the North Carolina AMC Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

James R. Park
Executive Director

Attachment

cc: Don Rodgers, Executive Director, Don@ncab.org

ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> • State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure 	2-year
Good	<ul style="list-style-type: none"> • State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure 	2-year
Needs Improvement	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure 	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure 	1-year
Poor**	<ul style="list-style-type: none"> • State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure 	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

**An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 12, Interim Sanctions.



ASC State AMC Program Compliance Review Report

ASC Finding: Good			
Final Report Issue Date: February 16, 2024			
North Carolina AMC Regulatory Program (State)		ASC Compliance Review Date: October 24-26, 2023	
North Carolina Appraisal Board (Board)		PM: N. Fenocheietti	
Umbrella Agency: Independent		Number of AMCs on AMC Registry: 133	
Review Period: November 2021 to October 2023		Review Cycle: Two Year	
Applicable Federal Citations		State Response	
Compliance (YES/NO) Areas of Concern (AC)		Required/Recommended State Actions	
YES	NO	AC	General Comments
X			
Statutes, Regulations, Policies and Procedures:		None	
National Registry:		None	
States must ensure the accuracy of all data submitted to the AMC Registry. (Title XI § 1118, 12 U.S.C. § 3347; Policy Statement 9.)		The State should monitor its revised processes to ensure timely updates to the AMC Registry.	
Enforcement:		None	