



APPRAISER REPORT

BOARD APPOINTMENTS

Speaker Tim Moore appointed Marcella Coley to the N.C. Appraisal Board for a three-year term, ending June 30, 2026. She is a graduate of Appalachian State University and holds a Bachelor of Science in Business Administration with a major in finance. Marcella has been a Certified Residential Appraiser, a NC broker, and a Realtor for over thirty years. Ms. Coley holds the Appraisal Institute SRA and Residential Review Specialist designations and the National Association of Realtors At Home with Diversity and C2EX certifications. Marcella and her husband Max reside in Boone.

President Pro Tempore of the Senate Phil Berger reappointed Sarah J. Burnham to the Appraisal Board for a three-year term ending June 30, 2026. Ms. Burnham is a CPA who specializes in software conversions, fulfilling outsourced controller functions, integration of manufacturing and point of sale software with QuickBooks, and in training clients and their employees. She is a graduate of the University of North Carolina at Chapel Hill, with a B.A. in Political Science, and Appalachian State University, with a Masters in Accounting. Following her graduate studies, she worked as an auditor for KPMG and Deloitte and Touche, focusing on the financial industry; as a controller in commercial real estate; and started her professional practice in 2002. She was born and raised in Asheville, NC, and since 1998 has lived in Hickory, NC.

House Speaker Tim Moore has reappointed Jack C. (Cal) Morgan III to the Appraisal Board for a three-year term ending on June 30, 2026. Mr. Morgan is a graduate of the College of Charleston, in Charleston, SC. He is a Certified General Appraiser and holds the MAI, SRA and AI-GRS designations. Mr. Morgan is the owner of JC Morgan Co in Wilmington, a commercial appraisal firm. Mr. Morgan is a NC licensed general contractor and NC real estate broker. Mr. Morgan lives in Wilmington with his wife Seanna and their three children.

BOARD ELECTS OFFICERS

Michael R. Warren of Beaufort has been elected Chair of the Appraisal Board for 2023-2024. Governor Roy Cooper first appointed Mr. Warren to the Board in 2018.

Claire M. Aufrance of Greensboro has been elected as Vice-Chair of the Appraisal Board for 2023-2024. Governor Roy Cooper first appointed Ms. Aufrance to the Board in 2019.

APPRAISER REPORT

Published as a service to appraisers to promote a better understanding of the Appraiser's Act and Board rules, as well as proficiency in appraisal practice. Information in the articles published herein may be superseded by changes in laws, rules, or USPAP. No part of this publication may be reprinted or reproduced in any other publication without specific reference being made to their original publication in the North Carolina Appraisal Board *Appraisereport*.

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Roy Cooper, Governor

APPRAISAL BOARD MEMBERS

Mike Warren

Chair

Claire M. Aufrance

Sarah J. Burnham

Lynn Carmichael

Darius R. Chase

Marcella D. Coley

Jack C. (Cal) Morgan, III

Viviree Scotton

H. Clay Taylor, III

Beaufort

Greensboro

Hickory

Arden

Waxhaw

Boone

Wilmington

Chapel Hill

Raleigh

STAFF

Donald T. Rodgers, *Executive Director*

Sondra C. Panico, *Legal Counsel*

Brandy M. March, *Deputy Director*

Jeffrey H. Davison, *Investigator*

Randall L. Echols, *Investigator*

Frank D. Fleming, *Investigator*

H. Eugene Jordan, *Investigator*

Mindy M. Sealy, *Office Manager*

APPRAISER COUNT

(As of November 30, 2023)

Trainees	597
Licensed Residential	137
Certified Residential	1,816
Certified General	1,348
Total Number	3,898

AMC COUNT

132

APPRAISER

EXAMINATION RESULTS

April 1, 2023 – November 30, 2023

Examination	Total	Passed	Failed
Licensed Residential	21	16	5
Certified Residential	22	14	8
Certified General	8	4	4

Examinations are administered by a national testing service. To apply for the examination, please submit an application which may be downloaded from the Appraisal Board's website at <http://www.ncappraisalboard.org/forms-html/forms.htm>.

2024 USPAP – Effective January 1, 2024

The 2024 edition of the Uniform Standards of Professional Appraisal Practice (USPAP), the 2024 USPAP Guidance and Reference Manual, the 15-Hour Student Manual, and the 2024-2025 7-Hour Update Course Student Manual have been adopted by the Appraisal Standards Board (ASB).

The current edition of USPAP does not automatically include guidance from the ASB. Anyone wanting the 2024 USPAP Guidance and Reference Manual, which includes guidance from the ASB in the form of the USPAP Advisory Opinions and the USPAP Frequently Asked Questions (FAQs), will need to purchase this book separately from the 2024 USPAP book.

Students taking the 2024-2025 7-hour USPAP update course should be advised that The Appraisal Foundation (TAF) requires that all students have a copy of the 2024 edition of USPAP **and** the 7-Hour Update Course Student Manual available during course instruction. Instructors may turn you away if you do not have access to all course materials during the course. Instructors are not required to maintain extra copies of the course materials; it is the student's responsibility to have these available to them. When registering for the USPAP course, check with the course sponsor to see if they provide any of the materials as part of the course. If not, you may order your items from The Appraisal Foundation [here](#).

STAFF UPDATE:

Frank D. Fleming has been employed by the Board as a new investigator. Frank has been in the appraisal industry since 1994 and has practiced throughout Central North Carolina. He began as a trainee in 1994 and earned his certified residential license in 1996.

Over the past 27 years, Frank has worked as an independent appraiser and as an employee of various appraisal firms up until joining the Board as an investigator. Frank has also supervised four trainees who have gone on to obtain their Certified Residential license. Prior to entering the appraisal profession, he spent time in the transportation/logistics industry and worked for various residential home builders in the Raleigh/Durham and Greenville, NC markets.

Frank attended East Carolina University and received his B.S. degree in 1989. He and wife, Lesley, have been married for 29 years. They have one son and one daughter.

2024 RENEWAL INFORMATION

All registrations, licenses and certificates expire on June 30th and must be renewed before this date to maintain your current status. If you do not renew by June 30th, your registration, license, or certificate will expire. Any person who acts as a trainee, licensed, or certified real estate appraiser while expired shall be subject to disciplinary action and penalties as prescribed by the Appraiser's Act. All licensees are required to complete the 2024-2025 7-Hour National USPAP Update course by May 31, 2024, in order to renew on time.

The renewal fee is \$200.00 and if you want to be on the National Registry, there is an additional fee of \$60.00. You must be on the National Registry to prepare appraisals related to federally related transactions. Registered trainees are not permitted to be on the Registry. If you allow your license to lapse, you may renew with late penalty fees for the first 12-month period and may reinstate in the second 12-month period by making a full application. After 24 months, you must start over and meet all the current education and experience requirements plus pass the exam. See below for specific renewal requirements.

OUT-OF-STATE LICENSEES

If you **reside** in another state and are currently licensed by another appraiser certification regulatory body, you may satisfy the continuing education requirement by having [Board approved course sponsors](#) report the CE directly to us. If you complete your CE through a non-Board approved sponsor, you must notify the Board of your course completion and attach a copy of your course completion certificate. You may submit your course completion by email to ncab@ncab.org. Our online renewal system will not allow you to upload documents at the time of renewal; therefore, you or the Board approved sponsor must submit your course completion ahead of time. Once the information has been received and uploaded to your record, you can then renew online between beginning in early May.

AMC RENEWALS

All Appraisal Management Company registrations expire June 30, 2024, and must be renewed before this date to maintain their current status. Each renewal shall post with the Board a surety bond in the amount of \$25,000. The bond must not expire before June 30, 2025. A rider to a current bond is acceptable.

AMCs may log in [here](#) to renew on or after May 1, 2024. If you did not change the password, it is the last five digits of the company's EIN.

IMPORTANT - If you plan to renew your AMC registration online, you must send your bond, or bond rider, to the Board prior to renewing online. Please allow time for the bond or rider to arrive and be processed before you renew online.

ONLINE RENEWALS WILL BE AVAILBLE EARLY MAY. RENEWALS SUBMITTED PRIOR TO MAY WILL BE RETURNED.

Frequently Asked Questions on Appraiser Renewals

➤ **What are the CE requirements this year?**

The 2024-2025 7-Hour National USPAP Update is due by May 31, 2024.

➤ **I took the 15-HR USPAP course. Do I still need the 7-Hour USPAP Update?**

Yes.

➤ **I just received my license in November 2023. Am I required to take CE?**

Yes.

➤ **When can I renew my license?**

Renewals will be accepted starting May 1, 2024.

➤ **I just received my license. When does my two-year CE cycle start?**

All licensees are on the same CE cycle. The current cycle is June 1, 2023 – May 31, 2025.

➤ **Is a course in Valuation Bias and Fair Housing required to renew?**

No. The only course the Board requires you to take for CE is the most recent version of the 7-Hour USPAP Update.

➤ **Do I send the Board my certificates when I complete courses?**

It depends. If you complete a CE course from a Board approved sponsor, they will notify the Board of your course completion. Course reporting is not in real time. If you are requesting CE credit for a QE course, you will need to send us your certificates requesting we apply the hours towards your CE.

➤ **I am a registered trainee but haven't found a supervisor and started working yet. Am I still required to meet the CE requirements?**

Yes, if you plan to renew and keep your license current.

➤ **What if I don't complete the CE requirements by May 31, 2024?**

If you complete the 2024-2025 7-Hour USPAP Update after May 31, 2024, the earliest you can renew is July 1, 2024, and you will be required to pay the \$10 per month late fee. The trainee or appraiser may no longer perform any appraisal work while their license is not current.

BOARD RULES WITH A DELAYED EFFECTIVE DATE OF DECEMBER 31, 2025

The following rules were approved by the Board and the Rules Review Commission in 2022; however, since they received at least ten letters of objection from the public, they were held for Legislative Review and now have an **effective date of December 31, 2025**.

The following rules were amended to allow PAREA:

21 NCAC 57A .0201

21 NCAC 57A .0601

21 NCAC 57A .0604

21 NCAC 57A .0605

21 NCAC 57A .0405 Appraisal Reports

Removes the requirement of the seal on appraisal reports.

21 NCAC 57A .0407 Supervision of Trainees

Added language to allow PAREA, allows residential and general appraisers to supervise three trainees, reduces the requirement to accompany on 50 inspections/1500 hours of supervision, and removes the 50 mile and the 75% performance requirement. Requires trainees to sign or assistance noted in report.

PRIVILEGE LICENSE TAX

The privilege tax required by the NC Department of Revenue (NCDOR) for appraisers has been repealed effective July 1, 2024. Specifically, N.C.G.S. 105-41, which required every individual in the State of North Carolina who practiced a profession or engaged in a business to obtain from the NCDOR a statewide license for the privilege of practicing a profession or engaging in the business, is repealed pursuant to Session Law 2023-136. Appraisers are no longer required to apply to the Secretary for a privilege license, or renew an existing privilege license, each year beginning July 1, 2024. The last license period will be for the fiscal year July 1, 2023 to June 30, 2024. Questions about the privilege license should be directed to NCDOR at (877) 252-3052.

Appraisers need to be aware that the NCDOR privilege license requirement is separate and distinct from the Appraisal Board license requirement in the state. **The requirement to be licensed by the Appraisal Board in North Carolina remains in full effect and is not impacted by the repeal of the NCDOR privilege license requirement.**



Inspection Rule

Does the inspection rule which states that the supervisor must accompany the trainee on the first 50 reports or the first 1,500 hours (whichever comes first) and also on any property that is 50 miles from the supervisor's primary place of business mean that the trainee is free to inspect on their own immediately after?

No. The rule states "After that point, the trainee may perform the inspections without the presence of the supervisor **provided that the supervisor is satisfied that the trainee is competent to perform those inspections**, and that the subject property is less than 50 miles from the supervisor's primary business location."

While it is allowed, the supervisor is responsible for ensuring that they deem the trainee competent to perform those inspections. It may be prudent for a supervisor to continue to accompany the trainee on inspections when a new property type is being learned, when there are abnormalities to the property, and/or when inspection practices vary.

Portion of 21 NCAC 57A .0407 (b)

In addition, the supervisor shall accompany the trainee on the inspections of the subject property on the first 50 appraisal assignments or the first 1500 hours of experience, whichever comes first, for which the trainee will perform more than 75 percent of the work. After that point, the trainee may perform the inspections without the presence of the supervisor provided that the supervisor is satisfied that the trainee is competent to perform those inspections, and that the subject property is less than 50 miles from the supervisor's primary business location.

1/1/2022 AQB Criteria / Supervisory Appraiser Requirements / 1. General A (pg. 15)

A. Supervisory Appraisers shall be responsible for the training, guidance, and direct supervision of the Trainee Appraiser by:

- 1. Accepting responsibility for the appraisal by signing and certifying the appraisal complies with USPAP;*
- 2. Reviewing and signing the Trainee Appraiser appraisal report(s); and*
- 3. Personally inspecting each appraised property with the Trainee Appraiser until the Supervisory Appraiser determines the Trainee Appraiser is competent to inspect the property, in accordance with the COMPETENCY RULE of USPAP for the property type.*

Trainee Town Hall

Last year, the Board began holding what we refer to as Trainee Town Halls. These are sessions that are scheduled via WebEx to go over specific topics and answer questions that trainees may have on the rules and requirements necessary for them to upgrade to a licensed or certified appraiser. Information regarding these sessions is emailed to all current trainees and posted on the Board website once they are scheduled.

General Information

On the Board website we have added a tab for Supervisor/Trainee Info. Here you will find forms specific to trainees/supervisors (Log, Declaration Form, Request for a 3rd Trainee) as well as frequently asked questions about the upgrade process.

New Experience Log – Required Use as of January 1, 2024

Earlier this year, Board staff revised the Experience Log to include an additional row which separates out the actions that the supervisor performed from those items the supervisor reviewed as part of their overall supervision during the training process. The instructions were also slightly updated to provide additional guidance on completing the log. A new tab was added to the excel template to show common errors found in the logs.

All reports (entries) taking place on or after January 1, 2024, must be placed on the updated template/form. Licensees are not required to redo any logs that are on an older version of the template. However, all new experience must be included in the new log format. If you have created your own log, it must be updated to comply with the new field requirements, effective January 1, 2024.

The experience log can be found on the Board’s website at: <https://www.ncappraisalboard.org/forms-html/forms.htm>. Board Staff are available to assist with any questions on the log or completion requirements.

Transcript Evaluations

Board staff are willing to evaluate a trainee’s college transcript to ensure that it meets the college degree requirements for the Certified Residential classification, especially when the trainee does not hold a Bachelor’s degree or an Associate degree in one of the required fields of study (Business Administration, Accounting, Finance, Economics, or Real Estate). Additionally, a trainee may request that Board staff review a course syllabus to ensure it meets the requirement prior to enrollment in the course. A trainee can ensure that the college they are attending is accredited from a degree-granting institution by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized, by visiting the US Secretary of Education’s website at: <https://www.ed.gov/accreditation>.

2024 Board Meeting Dates

February 6 (Virtual)	August 6 (Virtual)
March 5 (Live)	September 17 (Live)
April 9 (Live – Location TBD)	October 22 (Virtual)
June 4 (Live)	December 10 (Live)

All in person meetings are conducted at the North Carolina Appraisal Board building located at 5830 Six Forks Road, Raleigh, unless otherwise noted.

Demonstration Reports

What is a demonstration report, how can it be used towards gaining experience, and what are some best practices for these types of experience credit?

A demonstration report is a report without a traditional client, meaning no one engaged you for work. Demonstration reports can be used to gain experience in a certain type of property that you may not see often in your market, to obtain more experience hours, or to enhance your skills on a certain methodology or an approach to value. North Carolina allows a trainee to claim up to 25% of their experience credit through demonstration appraisals. These appraisals must also be signed by the trainee's supervisor in order for the trainee to receive experience credit.

Instead of being engaged to perform the work, the trainee and supervisor select a property to appraise. The appraisal may or may not include an interior inspection. For instance, you may choose to appraise your home or the home of a neighbor or family member. Having access to the home would allow you to complete an interior and exterior inspection in this situation. There may be a unique, atypical dwelling in your market that would allow you to gain experience in researching local laws or applying certain methodologies. In this situation, you may not be able to do an inspection, and your report may be more similar to a desktop/hybrid appraisal.

Regardless of the situation, it is best practice to ensure the following:

1. List the North Carolina Appraisal Board as the intended user of the report.
2. List the purpose and intended use of the report as "for experience credit" and clearly label it as a demonstration appraisal report.
3. Use a narrative format or a general-purpose form instead of a lending form. Lending forms have strict guidelines and certification statements that can impair the credibility of the report and/or make it misleading, in accordance with USPAP standards.
4. Use hypothetical conditions and extraordinary assumptions when needed.
5. Trainees still need the report to be signed by their declared supervisor.
6. Remember this is to gain experience, not to simply add hours to your log. Have fun and use this option as a way to test your skills, enhance your knowledge, apply the teachings, or gain geographic competency in new areas.

USPAP Q&A

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.

2024-01: Demographics

Question: Does demographic information relating to race (such as Census data) constitute “information relating to” a protected characteristic?

Answer: Yes. Demographic data about a protected characteristic, such as Census data providing the racial composition of a neighborhood or of a defined geographic area, constitutes information relating to a protected characteristic. Using or relying upon such demographic data in the context of a residential real property assignment is prohibited, unless it falls under an explicit exception in the FhAct and any other applicable laws or regulations.

For guidance related to this topic, see Advisory Opinion 40, Antidiscrimination and the Research, Analysis, and Reporting of Location Data, including Demographics, for Residential Real Property Appraisal Assignments in the Guidance and Reference Manual (GRM).

Question: An appraiser often completes appraisals in two contiguous census tracts: Census Tract A and Census Tract B. The appraiser collects demographic data and knows that the demographic data for Census Tract A indicates the population is 85% Native American and Census Tract B’s population is 90% Asian. The demographic information also contains information on crime rates. Per the data, the crime rates for both census tracts are essentially the same.

The appraiser completes an assignment in Census Tract A and an assignment in Census Tract B on the same day. In the appraisal report for the subject property in Census Tract A, the appraisal report includes lengthy information related to crime statistics, and the stated conclusion that these facts indicate this is a “high crime area.” There is no such reference in the report for Census Tract B. In fact, the appraiser rarely mentions crime in appraisal reports for properties in Census Tract B.

What facts about this scenario indicate a possible violation of USPAP?

Answer: The inclusion of crime-related information in the appraisal report for the subject property in Census Tract A, compared to the omission of such information from the appraisal report in Census Tract B, suggests that the appraiser has used crime as a pretext for the consideration of race. The fact that the appraiser rarely mentions crime in appraisal reports for properties in Census Tract B supports this conclusion, especially because the crime rates are not meaningfully different, and thus, are not likely to have a meaningfully different effect on values. Although crime rates are not a protected characteristic, it is a violation of USPAP to use or rely upon a nonprotected characteristic as a pretext for using or relying upon race. It is also a legal violation to base an opinion of value for a home in whole or in part on race.

Additionally, a description of a location as in a “high-crime area” is often a code word or phrase that is used to signal race or ethnicity. This is especially true if it is not supported by relevant crime statistics and information that properly explains and contextualizes the use of the word “high” in the phrase “high-crime” area.

It is important to note that this same reasoning would apply even if the census tracts were not contiguous. The fundamental issue is not the proximity of the two geographic areas, but rather the reference to crime. The conclusion that the appraiser has based their opinion on race, but has pretextually referred to crime, would be even stronger if it

turned out that the appraiser referred to crime more frequently in appraisals for properties in Census Tract A than in Census Tract B as an overall matter, and/or referred to crime more frequently in other areas with significant Native American populations compared to those without.

2024-02 Artificial Intelligence (AI)

Question: What is an appraiser's USPAP obligations when using artificial intelligence (AI) in an appraisal assignment?

Answer: Artificial Intelligence (AI) involves replicating human-like intelligence within machines and computer systems. AI can function either independently or in conjunction with another tool to assist an appraiser with developing their opinions and conclusions (e.g., spreadsheets, analytic software) or to communicate assignment results (e.g., chatbots).

When these tools are used for their analytical functions, such as to generate some type of output that is used in developing an assignment result, the tool does not serve as a substitute for an appraiser's judgment. When using a computer assisted valuation tool, an appraiser must not simply rely on the output of technology without an understanding that the output is credible. Reliance on this data without understanding the output could place credibility of assignment results in doubt. Even when incorporating AI, developing credible assignment results requires the professional judgment of the appraiser.

An appraiser must also comply with USPAP when using artificial intelligence in the form of a chatbot that can write responses to inquiries with human like precision, and image recognition software which can "assign" condition and quality conclusions. Regarding, for example, chatbot tools, the usage of a chatbot tool may create potential concerns beyond the need to understand if the output is credible. For example:

- The Confidentiality section of the ETHICS RULE prohibits appraisers from disclosing confidential information or assignment results except to anyone other than the client, parties specifically authorized by the client, state appraiser regulatory agencies, third parties as may be authorized by due process of law; or a duly authorized professional peer review committee except when such disclosure to a committee would violate applicable law or regulation.

- o An appraiser must not share confidential information with unauthorized parties. Although an AI chatbot is not a person, creating an inquiry with a chatbot that includes confidential information may allow the chatbot to capture that information for responses to inquiries by other human users, or the chatbot developers.

- The COMPETENCY RULE requires an appraiser to perform an assignment in recognition of and compliance with laws and regulations that apply to the appraiser or to the assignment.

- o An appraiser may violate laws or regulations, such as sharing information protected under law or regulation that a chatbot collected. Responses by the chatbot may include potentially sensitive, confidential, or copyrighted information and the chatbot may not know that sharing that information is inappropriate.

The Nondiscrimination section of the ETHICS RULE prohibits appraisers from acting in a manner that violates or contributes to a violation of federal, state, or local antidiscrimination laws or regulations.

- o An appraiser may violate the Nondiscrimination section of the ETHICS RULE if they use or rely on discriminatory information provided by a chatbot. An output created by a chatbot may incorporate bias or the results of an inquiry may reflect a bias in the algorithm that created the response.

Additional guidance can be found in Advisory Opinion 18, Use of an Automated Valuation Model (AVM) and Advisory Opinion 37, Computer Assisted Valuation Tools in the Guidance and Reference Manual (GRM).

2024-03: Personal Inspection

Question: I recently completed an appraisal on a residential dwelling for Lender A that sells loans to Fannie Mae and Freddie Mac and the report was completed on a GSE form. Lender A decided not to grant the loan and the borrower then engaged Lender B to obtain financing. Lender B engaged me to perform a new appraisal assignment on the same property. Lender B indicated there was no need for me to re-inspect the home, since my previous inspection date was only a few days earlier.

I informed the client that I would not be able to certify that I made a personal inspection of the property as part of the scope of work for the new assignment for Lender B, because the inspection was part of the scope of work for the previous assignment (for Lender A.) The client indicated that they must have the new report include a certification indicating that I made a personal inspection of the subject property. May I follow Lender B's instructions and sign the certification indicating that I made a personal inspection of the subject property that is outside of the scope of work decision for the new assignment?

Answer: No. USPAP defines personal inspection as:

PERSONAL INSPECTION: (for an appraisal assignment) the appraiser's in-person observation of the subject property performed as part of the scope of work; (for an appraisal review assignment) the reviewer's in-person observation of the subject of the work under review, **performed as part of the scope of work**. (Bold added for emphasis.)

USPAP defines scope of work as:

SCOPE OF WORK: the type and extent of research and analyses in an appraisal or appraisal review **assignment**. (Bold added for emphasis.)

The USPAP definition of PERSONAL INSPECTION is distinguished as an inspection the appraiser performs as part of the scope of work for an appraisal or an appraisal review assignment. A prior inspection that occurred before the agreement to perform an assignment is not part of the appraiser's scope of work for the new assignment.

See Advisory Opinion 2, Inspection of Subject Property in the Guidance and Reference Manual (GRM).

**In Memory
of
John P. Robinson, Jr.**

The North Carolina Appraisal Board, with regret, has learned of the death of former Board member John P. Robinson, Jr. In 1989, Mr. Robinson was appointed by then-governor Martin to serve on the newly created NC Real Estate Appraisal Committee, responsible for creating the licensure and certification criteria for all real estate appraisers in the state. He later served as the Chairman of that Committee from 1993 to 1994. In 2016, Mr. Robinson was presented the national Appraisal Institute's Presidents Award for his lifetime contributions to the industry. He is survived by his wife of 66 years, Lucy Henderson Robinson, a son, Thomas Bradford Robinson, and four grandchildren. He was predeceased by his son, John Scott Robinson. The members and staff of the Appraisal Board offer our deepest sympathy to the Robinson family.

Disciplinary Actions

The following is a summary of recent disciplinary actions taken by the Appraisal Board. This is only a summary; for brevity, some of the facts and conclusions may not have been included. Because these are summaries only, and because each case is unique, these summaries should not be relied on as precedent as to how similar cases may be handled.

In many cases, appraisers are required to complete additional education as part of a consent order. Please check with the Board office if you have questions regarding an individual's current license status.

Edwin Bell A6332 (Leland)

By consent, the Board voted that effective December 20, 2023, Edwin Bell's license as a residential appraiser is inactively suspended for a period of twelve months. No later than April 1, 2024, Respondent shall complete the following coursework: 15-hour USPAP course including the exam, a continuing education course on Inconsistencies, and The Appraisal Foundation corrective education courses entitled, "Ethics, Competency, and Negligence," and "Scope of Work: Appraisals and Inspections." 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 above courses by April 1, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office. In addition, during the twelve-month inactive suspension, Respondent shall be under the supervision of a Board approved certified residential appraiser who meets all of the qualifications to be a supervisor. The supervising appraiser shall supervise all of Respondent's appraisals for the entire twelve-month inactive suspension and shall co-sign all of Respondent's appraisal reports for the twelve-month inactive suspension period. If, at any time during the twelve-month inactive suspension period, Respondent has completed appraisals without the supervising appraiser co-signing them, the inactive suspension shall become an active suspension for the remainder of the inactive suspension period. Respondent shall submit a log of all of his appraisals to the Board office every three months over the twelve-month period, and together with the log the supervisor shall submit a statement that he has co-signed all of the appraisal reports on the log. These appraisal logs shall be reviewed by Board staff and no less than two appraisals with supporting workfiles listed in each log submission shall be requested and reviewed by Board staff. Respondent shall cooperate with any requests made by Board staff to review his appraisal reports and workfiles. Any failure to cooperate with Board staff will result in the inactive suspension becoming an active suspension for the

remainder of the inactive suspension period. If Respondent fails to turn in any of the appraisal logs by the deadline set forth in the consent order the inactive suspension shall become an active suspension until he turns in the outstanding log.

Respondent performed two appraisals of single-family residential properties located in North Carolina to determine the fair market value for refinance. In the first case, in Respondent's appraisal report, Respondent performed the sales comparison and cost approach, but did not perform the income approach, which was an assignment condition. Because it was a rental property, Respondent's actions by not performing an income approach detracted from the credibility of the appraisal report and were in violation of the Scope of Work Rule and assignment conditions. Respondent also committed a series of errors in the development of the appraisal report, which detracted from its credibility. In addition, Respondent failed to identify the characteristics of the property that are relevant to the type and definition of value and intended use of the appraisal. In the second case, in Respondent's appraisal report, Respondent committed a series of errors, which detracted from the credibility of the report. In addition, Respondent did not allot any value for the 480 square foot garage apartment, which was heated and permitted, which detracted from the credibility of the appraisal report.

Respondent's conduct is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Albert Donald A7743 (Durham)

By consent, the Board voted that effective November 1, 2023, Albert Donald's certification as a residential appraiser is inactively suspended for a period of nine months. No later than May 1, 2024, Respondent shall complete the following coursework: the 30-hour residential sales comparison and income approach course and the

exam, and the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) course and the exam, which are both qualifying education courses, and the corrective education course entitled, "Residential Report Writing vs. Form Filling." The hours for the above coursework shall not be used for Respondent's required continuing education hours. If Respondent fails to successfully complete the courses by May 1, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed two appraisals to determine market value on single-family residential properties located in North Carolina. In the first case, Respondent submitted five appraisal reports on the subject property and committed a series of errors in each of his appraisal reports, which detracted from the credibility of his opinion of value. Respondent made errors of omission, misleading comments, and did not correctly complete research and analysis necessary to produce credible appraisal reports. Respondent made unexplained changes in the revisions of his appraisal report and did not provide an appropriate explanation for those changes. Respondent used comparable sales that were not similar to the subject property without support. Respondent was unable to provide corroborating data for the adjustment to one of the comparable sales. Respondent did not exhibit a basic understanding of a market analysis or how to explain what was occurring in the local market.

In the second case, Respondent submitted two appraisal reports on the subject property and selected inappropriate comparable sales when closer and more similar sales were available without providing an adequate explanation. Respondent's adjusted value of the comparable sales did not support the value conclusion. In addition, in developing a market value opinion, Respondent did not identify and analyze the effect on use and value of market area trends. Respondent admitted to making errors in making adjustments to the comparable sales. Respondent could not explain adjustments and there was not enough information in the workfile to provide an explanation of his adjustments.

Respondent's conduct is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Deanna Leviner A4076 (Laurinburg)

By consent, the Board voted that effective November 1, 2023, Deanna Leviner's certification as a residential appraiser is reprimanded. No later than May 1, 2024, Respondent shall complete the following coursework: one

continuing education course in the sales comparison approach, and one corrective education course on ethics, competency, and negligence. The hours for the above coursework shall not be used for Respondent's required continuing education hours. If Respondent fails to successfully complete the courses by May 1, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal to determine current market value on a single-family residential property located in North Carolina. Respondent completed four appraisal reports on the subject property. The first appraisal report, indicating a value of \$250,000, included the most similar and competitive comparable sales to the subject property. In Respondent's subsequent appraisal reports she expanded the search for comparable sales to the entire county, which was inappropriate. The location of the comparable sales used in Respondent's subsequent appraisal reports, indicating a value of \$268,000, was not credible because it did not reflect the subject's market area, as the subject was not located in the more upscale golf course community. Respondent contacted the listing real estate agent and discussed her assignment results which was a violation of the Confidentiality section of the Ethics Rule. Respondent specifically informed the real estate agent that she had reached an opinion of value that was lower than the sale price for the subject property. Respondent agreed to search for more distant comparable sales in order to increase the value of the subject property to reach the sales price, which is a violation of the Management section of the Ethics Rule.

Respondent's conduct is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Roseanne Makar A7634 (Leicester)

By consent, the Board voted that effective May 17, 2023, Roseanne Makar's certification as a residential appraiser is reprimanded. No later than September 1, 2023, Respondent shall complete the following coursework: a 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) qualifying education course, including the exam; and one continuing education course in inconsistencies. The hours for the 15-hour USPAP course shall not be used for Respondent's continuing education credit hours and requirements, however, the inconsistencies course may be used by Respondent for continuing education credit hours. If Respondent fails to successfully complete the courses by September 1, 2023, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office.

Respondent completed two appraisal reports on a single-family residence within eight days of each other. Respondent's value determination in the first appraisal report was \$727,000, and the value in the second appraisal report, dated eight days later, was \$682,000. In the second appraisal report, Respondent certified that she had not previously appraised the property. Respondent contends that she searched the system but did not find that she had performed the first appraisal, which she believes is because there were only eight days between the reports and the system had not yet been updated. Respondent also contends that during the time of these appraisals she was dealing with a personal situation and should not have accepted these assignments. An outside data collector inspected the subject property on one occasion and provided the same data to Respondent for both appraisal reports. There were numerous inconsistencies between Respondent's two appraisal reports, including, but not limited to: market trends, neighborhood prices and age of homes, and adjustments to comparable sales.

Respondent's conduct is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Emanuel Nimako A8984(Triangle, VA)

By consent, the Board voted that effective September 30, 2023, Emmanuel Nimako's certification as a residential appraiser is suspended for a period of three months; of which the first two months shall be an active suspension and the remaining one month shall be an inactive suspension. No later December 20, 2023, Respondent shall complete the following two Appraisal Foundation corrective education courses: 1) ethics, competency, and negligence; and 2) report certifications: what am I signing and why? The hours for the above coursework shall not be used for Respondent's required continuing education hours. If Respondent fails to successfully complete the courses by December 20, 2023, Respondent's license shall continue to be actively suspended until Respondent provides proof of completion of the above courses to the Board office. Pursuant to the requirements of the Appraisal Qualifications Board (AQB), Respondent shall not supervise a registered trainee until three years after the active suspension is lifted by the Board.

In February 2023, the Board was notified of disciplinary action taken against Respondent in Maryland. Respondent failed to notify the Board of such disciplinary action within sixty days, as required by Board rules. Respondent violated Maryland's rules and laws, USPAP standards, and Federal Housing Administration (FHA) rules, by certifying on

multiple occasions that he personally conducted interior appraisal inspections on properties located in several different states, requiring extensive travel, on the same date. Respondent admitted that he did not inspect all of the properties and that he allowed his trainees to inspect some of them. In at least one instance, the trainee was not listed as providing significant assistance in the appraisal report. In Maryland, Respondent agreed to a consent order which required Respondent to pay a \$5,000 fine, receive a 30-day suspension, and be ineligible to supervise for at least three years. The above conduct constitutes violations of North Carolina Appraisers Act § 93E-1-12 and Board Rule 21 NCAC 57A. 0409.

Michael Ogburn A2590 (Raleigh)

By consent, the Board voted that effective September 20, 2023, Michael Ogburn's certification as a residential appraiser is Reprimanded.

No later than April 1, 2024, Respondent shall complete the following coursework: two continuing education courses: 1) environmental hazards impact on value, and 2) complex properties; and one corrective education course: 1) ethics, competency, and negligence. The hours for the complex properties course shall not be used for Respondent's continuing education credit hours and requirements, however, the environmental hazards impact on value course may be used by Respondent for continuing education credit hours. The corrective education course does not receive continuing education credit. If Respondent fails to successfully complete the above courses by April 1, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office.

Respondent was engaged by his client, an attorney for an equitable distribution of marital assets, to perform an appraisal on a residential single-family detached dwelling. Respondent performed a desktop appraisal. The subject property was subject to CAMA (Coastal Area Management Act) regulations, which require any improvement to the site to be permitted and approved by the CAMA Board. Since the subject property had experienced severe flooding that resulted in the demolition of the concrete slab beneath the subject, if the improvement were demolished, the site could not be improved. An extraordinary assumption regarding the construction of a new improvement was needed as details of where a new improvement could be constructed were unknown. Respondent did not make such an extraordinary assumption in his appraisal report.

Respondent did not discuss the impact of removing the existing structure and its impact on value, regarding

whether it was the highest and best use. Respondent did not take into consideration that if the structure was razed/torn down, the new structure would not be ocean front property because of the CAMA rules and regulations. Respondent made series of other errors in his performance of this appraisal. Respondent did not develop and report the legal zoning regulations, as required by CAMA, and Respondent did not recognize the special zoning of beach properties. Respondent failed to identify in his appraisal report that his appraisal was being performed as-if the site was vacant, when in fact, one of the sites was improved with a house. Respondent disputes the facts in this paragraph, as alleged by the Board.

Respondent's conduct is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Amanda Rivera A4533 (Zebulon)

By consent, the Board voted that effective December 13, 2023, Amanda Rivera's certification as a residential appraiser is inactively suspended for a period of six months. No later than April 1, 2024, Respondent shall complete the following coursework: 30 hours of qualifying education, which consists of a course(s) focusing on the sales comparison and income approach that includes an exam, and The Appraisal Foundation corrective education course entitled, "Residential Report Writing vs. Form Filling." 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 April 1, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office. Pursuant to Board Rule 21 NCAC 57B. 0306(e), Respondent shall not teach any appraisal continuing education or qualifying education courses for a two-year period beginning on December 13, 2023. Pursuant to Board Rule 21 NCAC 57B .0614(b), for a period of three years beginning on December 13, 2023, Respondent shall not teach the trainee/supervisor course. Respondent agrees and the Board orders that for a period of three years, beginning on December 13, 2023, she will not supervise, or apply to supervise a trainee appraiser. Respondent shall be allowed to wind down her supervision of her current trainees and shall have until April 1, 2024, to terminate her supervision of them.

Respondent performed three appraisals on residential properties located in North Carolina. In the first case, Respondent committed a series of errors which resulted in an appraisal report that was not credible. Respondent did not adequately adjust for some of the comparable sales and

did not make any adjustments for other comparable sales when adjustments were warranted. Respondent used comparable sales that were dissimilar in design and appeal. Respondent did not adequately complete the scope of work required to produce credible results.

In the second case, Respondent inaccurately reported the physical features related to quality of construction and the condition of comparable sales. Respondent selected comparable sales that were dissimilar in location and site characteristics. Respondent did not apply an appropriate scope of work, failed to perform an adequate market analysis, did not develop an opinion of highest and best use when required, failed to perform due diligence, and reported misleading information.

In the third case, Respondent did not make time adjustments to comparable sales when warranted and made inconsistent adjustments for square footage differences. Respondent relied on MLS photographs, which was not compliant with the assignment condition that Respondent take original photographs of the comparable sales.

Respondent's conduct could constitute violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

William Scarbrough A4729 (Cornelius)

By consent, the Board voted that effective November 1, 2023, William Scarbrough's certification as a general appraiser is inactively suspended for a period of twelve months. No later than August 1, 2024, Respondent shall complete the following coursework: the 30-hour residential sales comparison and income approach course and the exam, which is a qualifying education course, and The Appraisal Foundation's corrective education course entitled, "Ethics, Competency, and Negligence." The hours for the above coursework shall not be used for Respondent's required continuing education hours. If Respondent fails to successfully complete the courses by August 1, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal to determine market value on a multi-family residential property located in North Carolina. Respondent's appraisal report included the following errors: Respondent stated in his appraisal report that the estimated market rent was \$625 per unit for the subject property, which was not in the rental range of the comparable rentals which ranged from \$900 to \$1,225 per unit. Respondent explained that \$625 per unit was an error,

and his appraisal report should have read \$1,200 per unit. Respondent provided no reconciliation or explanation of how he derived the \$1,200 per unit. Respondent also incorrectly stated the address of comparable sale number 1. In addition, Respondent's use of an active listing as comparable sale number 3 does not meet Fannie Mae guidelines, which requires a minimum of three closed comparable sales. Respondent stated that there were no available comparable closed sales in the subject market and that was the reason he used an active listing. However, there were seven closed sales in the subject's city that had closed within 12 months of the effective date of Respondent's appraisal report. Respondent did not complete the sales comparison approach because only two closed sales were used. Fannie Mae guidelines require a minimum of three closed sales.

Respondent's conduct is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Michael Staton A7036 (Fayetteville)

By consent, the Board voted that effective December 13, 2023, Michael Staton's certification as a residential appraiser is reprimanded. No later than May 1, 2024, Respondent shall complete the following coursework: one continuing education course in improving appraisal quality and minimizing risk, and the Appraisal Foundation corrective education course entitled, "Residential Report Writing vs. Form Filling." 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 May 1, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal to determine current market value and for refinancing on a single-family residential property located in North Carolina. Respondent's appraisal report is inconsistent and incorrect in reporting the subject's total room and bedroom counts. The effective age conclusion and overall condition are not consistent with the description in the improvement section of the appraisal report, which states that there have been no updates within the 15 years, while publicly available MLS data indicates updates within that time frame. In addition, Respondent's report contains inconsistent and unsupported market conditions conclusions when Respondent states in one section of the report that values are stable and in another section states that values are increasing. Respondent's commentary provided in the supplemental addendum to his appraisal report is boilerplate and contains

information that does not apply to the subject property which detracts from the credibility of Respondent's appraisal report. Further, Respondent's report contained a series of errors which detract from the credibility of his appraisal report.

Respondent's conduct is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Joseph Winborne A8411 (Wilson)

By consent, the Board voted that effective April 1, 2023, Joseph Winborne's certification as a residential appraiser is hereby suspended for a period of five years; of which the first month shall be an active suspension and the remaining time period shall be an inactive suspension. During the first two years of inactive suspension of Respondent's license, he shall submit a log of his appraisals to the Board every three months. These appraisal logs shall be reviewed by Board staff and no less than two appraisals with supporting workfiles listed in each log submission shall be requested and reviewed by Board staff. During the remaining three years of the inactive suspension of Respondent's license, he shall be subject to random requests for his appraisal logs or appraisal reports, and he shall cooperate with such requests. No later than May 1, 2023, Respondent shall complete the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) qualifying education course, including the exam; and the 30-hour residential sales comparison and income approaches qualifying education course, including the exam. If Respondent fails to successfully complete and pass the exams in the courses listed above by May 1, 2023, the inactive suspension shall become an active suspension and the active suspension will continue until Respondent completes the required qualifying education, regardless of whether the five-year suspension date has passed. Pursuant to the requirements of the Appraisal Qualifications Board (AQB), Respondent shall not supervise a registered trainee until three years after the active suspension is lifted by the Board.

In one case, Respondent appraised the subject property, which is a single-family residential dwelling, to determine market value. Respondent's final appraisal report included one comparable sale that was located on the same street as the subject property, but the comparable sales that were used in the first two appraisal reports did not include any comparable sales that were located in the same county as the subject property, which detracted from the credibility of the appraisal report. Based upon the local MLS, there were suitable substitutes in the immediate market of the subject and in the same city and county as the subject

property. Respondent did not have access to the local MLS for the subject property's market area and he relied on comparable sales using national databases, where the conditions of the sale could not be verified. Respondent's appraisal report stated that he used the county Geographic Information System (GIS) from the same county as the subject property, however, two of the comparable sales were from a different county with a different GIS. In Respondent's appraisal report, Respondent signed the certification that he personally inspected the property that is the subject of the appraisal report, when he did not inspect the property. Instead, Respondent's trainee inspected the subject property on his own.

In a second case, Respondent appraised the subject property, which is a single-family residential dwelling, to determine market value. Respondent's final appraisal report included one comparable sale that was located in the same city/town as the subject property, but the other two comparable sales were located 18 miles away and in different cities/towns. There were suitable substitutes in the immediate market area of the subject property and in the same city/town, which Respondent did not use. In addition, Respondent did not allocate any value for a two-story shop, which is real property and should have been included in the value. Further, Respondent did not use the correct square footage for the gross living area (GLA), when he failed to include a 12' x 12' section of the subject property that was heated/cooled and contained a bathroom and laundry room.

In a third case, Respondent appraised the subject property, which is single-family residential dwelling, to determine market value for a refinance. Respondent did not use the correct square footage in his appraisal report for the GLA. Respondent stated in his appraisal report that the subject property was a two-story dwelling, when it was split level or bi-level. In Respondent's appraisal report he made conflicting statements as to market conditions, in one place stating that the market was "stable" and in another stating it was an "increasing market." Respondent erroneously stated that comparable sale number 3 included two baths, whereas it only had one working bath and an outdoor shower. Respondent erroneously stated that comparable sale number 1 had a condition rating of C4, when it had a condition rating of C1. Respondent's appraisal report did not address that comparable sale number 3's waterfront location was only accessible by boat. Respondent did not follow Fannie Mae (FNMA) guidelines in physically inspecting the subject property and the comparable sales from the street. These errors detracted from the credibility of Respondent's appraisal report and opinion of value. Respondent's conduct is in violation of the Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Mission Statement

The mission of the North Carolina Appraisal Board is to protect consumers of real estate services provided by its licensees by assuring that these licensees are sufficiently trained and tested to assure competency and independent judgment. In addition, the Board will protect the public interest by enforcing state law and Appraisal Board rules to assure that its licensees act in accordance with professional standards and ethics.

The North Carolina Appraisal Board believes that the appraisal profession should reflect the diversity of our State. To further this mission, the Board is dedicated to expanding diversity and inclusivity in the profession by removing barriers that limit the opportunities of any qualified individual to become an appraiser.

NORTH CAROLINA APPRAISAL BOARD

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