

CHAPTER 57 – APPRAISAL BOARD

SUBCHAPTER 57A – REGISTRATION, LICENSING, CERTIFICATION AND PRACTICE

SECTION .0100 – APPLICATION FOR REAL ESTATE APPRAISER LICENSE OR CERTIFICATION

21 NCAC 57A .0101 FORM

A person who wishes to be registered as a trainee or to obtain licensure as a licensed real estate appraiser or certification as a certified real estate appraiser may obtain the required form upon request to the Board or from the Board's website at www.ncappraisalboard.org. The form calls for information such as the applicant's name and address, the applicant's social security number, a passport size photograph of the applicant, places of residence and employment, education, and such other information as may be necessary to identify the applicant and determine his qualifications and fitness for registration, licensure, or certification.

History Note: Authority G.S. 93E-1-6(a); 93E-1-10;
Eff. July 1, 1994;
Amended Eff. July 1, 2014; September 1, 2008; April 1, 1999.
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017.

21 NCAC 57A .0102 FILING AND FEES

(a) Each application for registration as a trainee, licensure as a licensed real estate appraiser, or certification as a certified real estate appraiser shall be accompanied by the required application fee. An additional fee may be charged to defray the cost of any competency examination administered by a private testing service. This additional fee shall be no more than the fee set by the private testing agency. The Board may reject and return to the applicant any application which is incomplete or not accompanied by the required fee or fees. Application fees accompanying complete applications are not refundable.

(b) The application fee shall be that prescribed in G.S. 93E-1-6(b).

(c) Payment of application fees shall be made by certified check, bank check, or money order payable to the North Carolina Appraisal Board.

History Note: Authority G.S. 93E-1-6; 93E-1-10;
Eff. July 1, 1994;
Amended Eff. July 1, 2014; September 1, 2008; January 1, 2008; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017.

SECTION .0200 – TRAINEE REGISTRATION AND APPRAISER LICENSING AND CERTIFICATION

21 NCAC 57A .0201 QUALIFICATIONS FOR TRAINEE REGISTRATION AND APPRAISER LICENSURE AND CERTIFICATION

(a) Applicants for trainee registration, licensure as a licensed residential real estate appraiser, and for certification as a certified real estate appraiser shall satisfy the qualification requirements set forth in the Real Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's Appraiser Qualifications Board, which is hereby incorporated by reference, including subsequent amendments and editions and can be found at www.appraisalfoundation.org at no cost.

(b) Applicants for licensure or certification who are currently registered trainees shall submit a copy of their complete appraisal log in accordance with Rule .0407(c) of this Subchapter. Applicants for certification who are currently licensed or certified appraisers shall submit an appraisal log showing that they possess the amount and length of experience as set forth in the Real Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's Appraiser Qualifications Board. All applicants for licensure or certification shall provide to the Board copies of appraisal reports and work files in order for an appraisal to be given experience credit.

(c) When a trainee or a licensed real estate appraiser becomes a certified real estate appraiser, his or her previous registration or licensure shall be canceled by the Board. When a certified residential real estate appraiser becomes certified as a general real estate appraiser, his or her previous certification shall be canceled by the Board.

(d) In the event that the Board requests that an applicant submit updated information or provide further information that the Board determines is necessary in order for the applicant to complete the application and the applicant fails to submit the requested information within 90 days following the Board's request, the Board shall defer the applicant's application until the applicant requests a hearing. An applicant whose application has been deferred and does not request a hearing and who wishes to obtain a registration, license, or certificate shall start the licensing process over by filing a complete application with the Board and paying all required fees, as set forth in G.S. 93E-1-6.

(e) If an applicant has an open complaint before the North Carolina Appraisal Board or an appraiser licensing board from any other state, the application shall be accepted but no further action shall be taken on the application until the complaint is resolved. If the applicant has any pending criminal charges in this or any state, they shall be reviewed as set forth in G.S. 93B-8.1.

History Note: Authority G.S. 93E-1-6; 93E-1-10; 93B-8.1;
Eff. July 1, 1994;
Amended Eff. July 1, 2014; January 1, 2013; July 1, 2010; September 1, 2008; January 1, 2008;
March 1, 2007; April 1, 2006, July 1, 2005; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
2017;
Amended Eff. June 1, 2020; May 1, 2020.

21 NCAC 57A .0202 FITNESS FOR REGISTRATION, LICENSURE, OR CERTIFICATION

(a) The Appraisal Board shall consider the fitness for registration, licensure, or certification of each applicant. When the fitness of an applicant is in question, action by the Board shall be deferred until the applicant has demonstrated that the applicant possesses the requisite competency, truthfulness, honesty and integrity.

(b) When the application is deferred, the Board shall notify the applicant and the applicant shall be entitled to demonstrate his or her competency or fitness for registration or certification at a hearing before the Board.

(c) The inquiry into fitness for registration, licensure, or certification may include consideration of whether the applicant has:

- (1) had disciplinary action taken against any professional license in North Carolina or any other state;
- (2) committed or done any act that, if committed or done by any real estate trainee or appraiser, would be grounds pursuant to the North Carolina Appraiser's Act for disciplinary action including the suspension or revocation of registration, licensure, or certification; or
- (3) been convicted of or pleaded guilty to any criminal act, or whether any such actions or charges are pending.

(d) All applicants for registration, licensure, or certification shall obtain a criminal records check that is satisfactory to the Board. This records check must have been performed within 60 days of the date the completed application for registration, licensure, or certification is received by the Board. Applicants shall pay the vendor directly for the cost of these reports.

(e) In order to be satisfactory to the Board, the criminal records check must contain all of the following:

- (1) a state court felony and misdemeanor criminal records search for each state lived in for at least the last seven years;
- (2) a state probation and incarceration check for each state lived in for at least the last seven years;
- (3) a federal court felony and misdemeanor criminal records check;
- (4) a state sex offender search for each state lived in for at least the last seven years;
- (5) a federal sex offender search; and
- (6) an address trace on the applicant's Social Security number.

(f) Notice to the applicant that his or her competency or fitness for registration, licensure, or certification is in question shall be sent by the Board in writing, by certified mail, return receipt requested, to the address shown upon the application. The applicant shall have 60 days from the date of receipt of this notice to request a hearing before the Board. Failure to request a hearing within this time constitutes a waiver of the applicant's right to a hearing on his or her application for registration, licensure, or certification, and the application shall be deemed denied. Nothing in this Rule shall be interpreted to prevent an applicant from reapplying for registration, licensure, or certification.

History Note: Authority G.S. 93E-1-6; 93E-1-10;
Eff. July 1, 1994;
Amended Eff. February 1, 2014; January 1, 2013; September 1, 2008; July 1, 2005; August 1,
2002; April 1, 1999;

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

21 NCAC 57A .0203 REGISTRATION, LICENSE, AND CERTIFICATE RENEWAL

- (a) All registrations, licenses, and certificates expire on June 30 of each year unless renewed before that time.
- (b) A holder of a trainee registration, an appraiser license, or certificate applying to renew such registration, license, or certificate shall apply for renewal in writing upon the form provided by the Board or log into the licensee login section on the Board's website and shall pay the renewal fee as prescribed in G.S. 93E-1-7(a). Forms are available on the Board's website at www.ncappraisalboard.org. The renewal fee is not refundable after July 1.
- (c) All trainees, licensees, and certificate holders, either resident or non-resident, who are required by G.S. 93E-1-7 to complete continuing education as a condition of renewal, shall satisfy the continuing education requirements set forth in Rule .0204 of this Section.
- (d) An applicant for renewal who initially qualified for licensure or certification pursuant to Rule .0211 of this Section, is not required to maintain licensure with the appraiser regulatory authority of the other state in order to renew the license in North Carolina.
- (e) Any person who acts or holds himself out as a registered trainee, licensed, or certified real estate appraiser while his trainee registration, appraiser license, or certificate is expired shall be subject to disciplinary action and penalties as prescribed in G.S. 93E.

History Note Authority G.S. 93E-1-7(a),(b); 93E-1-10; Eff. July 1, 1994; Amended Eff. January 1, 2013; January 1, 2008; March 1, 2007; March 1, 2006; August 1, 2002; April 1, 1999; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017; Amended Eff. July 1, 2022.

21 NCAC 57A .0204 CONTINUING EDUCATION

- (a) All registered trainees, real estate appraiser licensees, and certificate holders shall, upon the renewal of their registration, license, or certificate in every odd-numbered year, have obtained continuing education, as required by this Rule. Trainees and appraisers who initially registered with the Board after January 1 of an odd numbered year are not required to obtain continuing education for renewal of their registration in that odd numbered year.
- (b) Each trainee, licensee, and certificate holder who is required to obtain continuing education pursuant to Paragraph (a) of this Rule shall complete 28 hours of continuing education before June 1 of every odd numbered year. Except as provided in Paragraphs (g) and (h) of this Rule, such education shall have been obtained by taking courses approved by the Board for continuing education credit, at schools approved by the Board to offer such courses, as set forth in 21 NCAC 57B .0603. Such education shall relate to real estate appraisers maintaining and increasing their skill, knowledge, and competency in real property appraising. There is no exemption from the continuing education requirement for trainees or appraisers whose status has been upgraded to the level of licensed residential, certified residential, or certified general appraiser, since the issuance or most recent renewal of their registration, license, or certificate. Trainees, licensees, and certificate holders shall not take the same continuing education course more than once during the two-year continuing education cycle.
- (c) Each appraisal continuing education course shall include a minimum of two classroom hours of instruction on real estate appraisal or related topics, as set forth in the Real Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's Appraiser Qualifications Board.
- (d) Each trainee, licensee, and certificate holder who is required to obtain continuing education pursuant to Paragraph (a) of this Rule shall, as part of the 28 hours of continuing education required in Paragraph (b) of this Rule, complete the seven hour National USPAP update course between October 1 of an odd-numbered year and June 1 of an even numbered year, as required by the Appraiser Qualifications Board of the Appraisal Foundation. Each trainee, licensee, and certificate holder shall take the most recent USPAP update course prior to June 1 of every even numbered year.
- (e) A trainee, licensee, or certificate holder who completes approved continuing education courses in excess of the requirement shall not carry over into the subsequent years any continuing education credit.
- (f) Course sponsors shall provide a certificate of course completion to each trainee, licensee, and certificate holder who completes a course, as set forth in 21 NCAC 57B .0603. In addition, course sponsors shall send to the Board a roster of all who completed the course. This roster shall be sent within 15 days of completion of the course. In order

to renew a registration, license, or certificate in a timely manner, the Board shall receive proof of satisfaction of the continuing education requirement prior to processing a registration, license, or certificate renewal application. Proof of satisfaction shall be made by receipt of a roster from a school or course sponsor showing the courses completed by the applicant or by submission of an original certificate of course completion. If proof of having satisfied the continuing education requirement is not provided, the registration, license, or certificate shall expire and the trainee, licensee, or certificate holder shall be subject to the provisions of Rules .0203(e) and .0206 of this Section.

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

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

(i) A licensee or certificate holder who resides in another state, and is currently credentialed in another state, may satisfy the continuing education requirements by submitting an affidavit which lists the course provider, title, hours, and date of completion of all continuing education completed within the current continuing education cycle. The Board will audit no less than ten percent of licensees who renew with an affidavit. A licensee or certificate holder who became licensed in North Carolina by licensure or certification with another state and now resides in North Carolina may renew by affidavit for his or her first renewal as a resident of North Carolina only if the appraiser moved to North Carolina on or after January 1 of an odd-numbered year. If an appraiser was a resident of this state before January 1 of an odd-numbered year, the appraiser shall comply with the requirements of this section regardless of how the license or certificate was obtained.

(j) A trainee, licensee, or certificate holder who returns from active military duty on or after February 1 of an odd-numbered year may renew his or her registration, license, or certificate in that odd-numbered year even if the required continuing education is not completed before June 1 of that year. All required continuing education shall be completed within 180 days of when the trainee, licensee, or certificate holder returns from active duty. The Board may revoke the registration, license, or certificate in accordance with 93E-1-12 if the required continuing education is not completed within 180 days. This Paragraph applies to an individual who is serving 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.

History Note: Authority G.S. 93B-15; 93E-1-7(a); 93E-1-10;
Eff. July 1, 1994;
Amended Eff. July 1, 2014; January 1, 2013; July 1, 2011; July 1, 2010; January 1, 2008; March 1, 2007; March 1, 2006; July 1, 2005; July 1, 2003; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B.21.3A, rule is necessary without substantive public interest Eff. October 3, 2017;
Amended Eff. July 1, 2022; July 1, 2019; July 1, 2018.

21 NCAC 57A .0205 INACTIVE STATUS

History Note: Authority G. S. 93E-1-7; 93E-1-10;

Eff. July 1, 1994;
Repealed Eff. August 1, 2002.

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

- (a) Expired registrations, licenses, and certificates may be reinstated within 12 months after expiration upon payment 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 education that would have been required had the registration, license, or certificate been renewed.
- (b) If a registration, license, or certificate has been expired for more than 12 months, but less than five years, an applicant may apply for reinstatement. In order to be considered for reinstatement, the applicant shall pay the filing fee as set out in G.S. 93E-1-7 and include in the application proof that the applicant has obtained the continuing education that would have been required had the registration, license, or certificate been continuously renewed, which shall include the most recent edition of the seven hour National USPAP update, as required by the Appraiser Qualifications Board of the Appraisal Foundation. In addition, the Board shall consider whether the applicant for reinstatement has any prior or current disciplinary actions, and shall examine the applicant's fitness for registration, licensure, or certification before granting the request for reinstatement. A completed application for reinstatement shall be received by June 1 of the fifth year after the registration, license, or certificate expired or it shall not be accepted.
- (c) An application for reinstatement shall not be granted if the registration, license, or certificate has been expired for more than five years.
- (d) Reinstatement is effective on the date it is issued by the Board. It is not retroactive.
- (e) A trainee or appraiser whose registration, license, or certification has expired and who is returning from active military duty may renew his or her registration, license, or certificate when the trainee or appraiser returns from active duty without payment of a late filing fee as long as the trainee or appraiser renews the registration, license, or certificate within 180 days of when the trainee or appraiser returns from active duty. This Rule applies to an individual who is serving 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.

History Note Authority G.S. 93E-1-6(b); 93E-1-7; 93E-1-10;
Eff. July 1, 1994;
Amended Eff. September 1, 2014; July 1, 2014; July 1, 2011; September 1, 2008; March 1, 2007;
July 1, 2005; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
2017;
Amended Eff. July 1, 2022.

21 NCAC 57A .0207 PAYMENT OF REGISTRATION, LICENSE AND CERTIFICATE FEES

Checks given to the Board in payment of registration, license and certificate fees which are returned unpaid shall be cause for registration, license or certificate denial, suspension or revocation.

History Note: Authority G.S. 93E-1-10; 93E-1-12(a)(9);
Eff. July 1, 1994;
Amended Eff. August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
2017;
Amended Eff. September 1, 2021.

21 NCAC 57A .0208 REPLACEMENT REGISTRATION, LICENSE AND CERTIFICATE FEES

- (a) A trainee, licensee, or certificate holder may, by paying the fee prescribed in G.S. 93E-1-7(d) to the Board, obtain a duplicate trainee registration, appraiser license, or certificate to replace an original registration, license, or certificate that has been lost, damaged, or destroyed or if the name of the trainee, licensee, or certificate holder has been lawfully changed. The Request for Reissuance of Appraiser Wall Certificate is available on our website at www.ncappraisalboard.org.
- (b) The form shall include the following:
- (1) the appraiser's name and signature;
 - (2) the appraiser's license number; and
 - (3) the appraiser's address.

History Note: Authority G.S. 93E-1-7(d); 93E-1-10;
Eff. July 1, 1994;
Amended Eff. January 1, 2008; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017;
Amended Eff. July 1, 2022.

21 NCAC 57A .0209 NATIONAL APPRAISER REGISTRY

Licensees and certificate holders may apply for enrollment in the national registry of licensed and certified real estate appraisers or for the renewal or reinstatement of such enrollment online through the licensee login section on the Board's website at www.ncappraisalboard.org. The enrollment shall be accompanied by the fee specified in G.S. 93E-1-11(d) plus any additional fee that may be required by the appropriate agency or instrumentality of the federal government.

History Note: Authority G.S. 93E-1-10; 93E-1-11(d);
Eff. July 1, 1994;
Amended Eff. January 1, 2008; March 1, 2007; August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017;
Amended Eff. July 1, 2022.

21 NCAC 57A .0210 TEMPORARY PRACTICE

(a) A real estate appraiser who does not reside in North Carolina and who is licensed or certified by the appraiser licensing or certifying agency in another state may apply to receive temporary appraiser licensing or certification privileges in this State by filing an application with the Board. The application is available on the Board's website at www.ncappraisalboard.org. The application shall include:

- (1) the applicant's name, address, phone number, email;
- (2) license or certification number currently held in another state;
- (3) whether the applicant has had any disciplinary actions taken against them in connection with any appraiser, real estate, or other professional license held;
- (4) whether the applicant has ever been convicted of any criminal offense or has any criminal charges pending;
- (5) the projected beginning and ending date of the appraisal assignment;
- (6) a legal description of the subject properties and purpose of the appraisal assignment; and
- (7) the signature of the applicant.

(b) Upon filing a completed application accompanied by the fee prescribed in G.S. 93E-1-9(c), the Board shall consider whether an applicant's appraiser license or certification is or has been subject to discipline in their resident state or any other state, and shall consider all other information outlined in Rule .0202 of this Section, in determining whether to approve an application. If the application is approved, an applicant shall be granted a temporary practice permit by the Board authorizing the applicant to perform in this State the appraisal assignment described in the application, provided that the Board determines that the length of time projected by the applicant for completion of the assignment is reasonable given the scope and complexity of the assignment.

(c) Privileges granted under the provisions of this Rule shall expire upon the expiration date set forth in the temporary practice permit. If additional time is needed to complete the appraisal assignment, the permittee may request an extension of the temporary practice permit. The request shall be submitted and received by the Board prior to the expiration of the original practice permit, shall be in writing, and shall include the following:

- (1) temporary practice permit number;
- (2) the amount of additional time needed to complete the assignment; and
- (3) the reason the extension is necessary.

Upon receipt of the request, the Board shall extend the temporary practice privileges if it determines that additional time is needed to complete the assignment.

(d) An applicant for a temporary practice permit shall not begin performing any appraisal work in this State until the temporary practice permit has been issued by the Board. The Board shall deny an applicant who begins work before the permit is issued.

(e) Persons granted temporary practice privileges under this Rule shall only advertise or otherwise hold themselves out as being a North Carolina licensed or certified appraiser for the assignment for which they received the temporary practice permit. Any appraisal report for an appraisal of property located in North Carolina shall contain a copy of the temporary practice permit number for that assignment.

(f) A trainee shall not apply for a temporary practice permit. The term "trainee" shall include apprentices and others who are licensed and regulated by a state agency to perform real estate appraisals under the supervision of a certified appraiser. If a trainee not registered in this State inspects a property located in this State, the trainee shall be accompanied by the trainee's supervising appraiser. The trainee's supervisor shall be a North Carolina certified real estate appraiser. If not, the supervising appraiser shall be certified as a real estate appraiser in another state and shall receive a temporary practice permit for the assignment.

History Note: Authority G.S. 93E-1-9; 93E-1-10; 12 U.S.C. 3351(a); Eff. July 1, 1994; Amended Eff. July 1, 2014; September 1, 2008; January 1, 2008; March 1, 2007; July 1, 2005; July 1, 2003; August 1, 2002; April 1, 1999; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017; Amended Eff. July 1, 2022; May 1, 2020.

21 NCAC 57A .0211 APPLICANTS LICENSED OR CERTIFIED IN ANOTHER STATE

(a) Applicants for licensure or certification who are not licensed or certified in North Carolina but are licensed or certified in another State shall file an application as stated in Rule .0101 of this Subchapter. The application may be found on the Board's website at www.ncappraisalboard.org. The application requires:

- (1) the applicant's name and contact information;
- (2) the applicant's education background;
- (3) the applicant's prior disciplinary and criminal history; and
- (4) a sworn statement that the information in the application is correct.

Applicants who do not reside in North Carolina, shall consent to service of process in this State and file an affidavit of residency with the application. If the applicant is not active on the Appraisal Subcommittee's National Registry, the applicant shall file with the application a letter of good standing from the appraiser licensing board of any state where the applicant is licensed or certified no later than 30 days prior to the date application is made in this State.

(b) Applicants for licensure or certification shall obtain a criminal records check that complies with the requirements of G.S. 93E-1-6(c1).

(c) An appraiser whose license or certification is suspended in North Carolina shall not apply for licensure or certification in this State under this Rule while the license or certification is suspended. An appraiser whose license or certification was revoked in North Carolina shall not apply for licensure or certification in this State under this Rule for five years after the date of revocation.

History Note: Authority G.S. 93E-1-6(c1); 93E-1-9 ; 93E-1-10; 93E-1-12(c); Eff. March 1, 2007; Amended Eff. July 1, 2016; January 1, 2013; September 1, 2008; January 1, 2008; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017; Amended Eff. May 1, 2020.

SECTION .0300 – APPRAISER EXAMINATIONS

21 NCAC 57A .0301 TIME AND PLACE

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

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

History Note: Authority G.S. 93E-1-6(c); 93E-1-10;

Eff. July 1, 1994;
Amended Eff. July 1, 2014; January 1, 2013; September 1, 2008; January 1, 2008; April 1, 2006;
July 1, 2005; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
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Amended Eff. May 1, 2020.

21 NCAC 57A .0302 SUBJECT MATTER AND PASSING SCORES

History Note: Authority G.S. 93E-1-6(c); 93E-1-10;
Eff. July 1, 1994;
Amended Eff. July 1, 2014; January 1, 2013; September 1, 2008; March 1, 2007; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
2017;
Repealed Eff. May 1, 2020.

21 NCAC 57A .0303 RE-EXAMINATION

- (a) Applicants for an appraiser license or certificate who fail to pass or appear for any examination for which the applicant has been scheduled by the Board-approved private testing service, may schedule a subsequent examination and shall pay the prescribed examination testing fees to the Board-approved private testing service.
- (b) Applicants may take the examination no more than five times per application. If an applicant fails the examination, the applicant must wait a minimum of 30 days before retaking the examination. If the applicant does not pass the examination by the fifth attempt at the examination or within one year of the date of issuance of the examination approval form, the application shall be cancelled.

History Note: Authority G.S. 93E-1-6; 93E-1-10;
Eff. July 1, 1994;
Amended Eff. July 1, 2014; January 1, 2013; September 1, 2008; July 1, 2005; August 1, 2002;
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Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
2017.

21 NCAC 57A .0304 CHEATING AND RELATED MISCONDUCT

Applicants shall not cheat or attempt to cheat on an examination by any means, including both giving and receiving assistance, and shall not communicate in any manner for any purpose with any person other than an examination supervisor during an examination. Violation of this Rule shall be grounds for dismissal from an examination, invalidation of examination scores, and denial of an appraiser certificate, as well as for disciplinary action if the applicant holds a trainee registration, an appraiser license or certificate.

History Note: Authority G.S. 93E-1-6(c); 93E-1-10;
Eff. July 1, 1994;
Amended Eff. January 1, 2013; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
2017.

21 NCAC 57A .0305 CONFIDENTIALITY OF EXAMINATIONS

History Note: Authority G.S. 93E-1-6(c); 93E-1-10;
Eff. July 1, 1994;
Repealed Eff. April 1, 1999.

21 NCAC 57A .0306 EXAMINATION REVIEW

History Note: Authority G.S. 93E-1-6(c); 93E-1-10;
Eff. July 1, 1994;
Amended Eff. April 1, 1999;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017;
Repealed Eff. May 1, 2020.

SECTION .0400 – GENERAL APPRAISAL PRACTICE

21 NCAC 57A .0401 USE OF TITLES

- (a) A trainee shall utilize either the term "registered trainee" or the term "trainee real estate appraiser" when performing an appraisal of real estate or any interest therein, and when referring to himself as a trainee.
- (b) A licensed residential real estate appraiser shall utilize the term "licensed residential real estate appraiser" and a certified residential real estate appraiser shall utilize the term "certified residential real estate appraiser" when performing an appraisal of real estate or any interest therein, and when referring to himself or herself as an appraiser. A certified general real estate appraiser shall utilize the term "certified general real estate appraiser" when performing appraisals of all types of real estate or any interest therein, and when referring to himself or herself as an appraiser.
- (c) Trainee registration, licensure or certification as a real estate appraiser is granted only to persons and does not extend to a business entity operated by a trainee, licensed or certified real estate appraiser.

History Note: Authority G.S. 93E-1-10;
Eff. July 1, 1994;
Amended Eff. January 1, 2008; July 1, 2005; July 1, 2003; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017.

21 NCAC 57A .0402 DISPLAY OF REGISTRATIONS, LICENSES AND CERTIFICATES

- (a) The original or a copy of the registration, license, or certificate shall be displayed at each of the trainee's or appraiser's places of business.
- (b) The annual registration, license, or certificate renewal issued by the Board to each trainee, licensed, or certified real estate appraiser shall be retained by the trainee, licensee, or certificate holder as evidence of registration, licensure, or certification.

History Note: Authority G.S. 93E-1-10;
Eff. July 1, 1994;
Amended Eff. March 1, 2006; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017;
Amended Eff. July 1, 2022.

21 NCAC 57A .0403 ADVERTISING

- (a) When advertising or otherwise holding himself out as a trainee or real estate appraiser, a trainee shall identify himself or herself either as a "registered trainee" or as a "trainee real estate appraiser," a licensed residential real estate appraiser shall identify himself or herself as a "licensed residential real estate appraiser," a certified residential real estate appraiser shall identify himself or herself as a "certified residential real estate appraiser," and a certified general real estate appraiser shall identify himself or herself as a "certified general real estate appraiser".
- (b) A registered trainee, licensed or certified real estate appraiser doing business as a partnership, association, corporation or other business entity shall not represent in any manner to the public that the partnership, association, corporation or other business entity is registered, licensed or certified by the State of North Carolina to engage in the business of real estate appraising.
- (c) In the event that any trainee, licensee or certificate holder shall advertise in any manner using a firm name, corporate name, or an assumed name which does not set forth the surname of the trainee, licensee or certificate holder, he shall first notify the Board in writing of such name and furnish the Board with a copy of each registration of assumed name certificate filed with the office of the county register of deeds in compliance with Section 66-68, North Carolina General Statutes.

History Note: Authority G.S. 93E-1-10;
Eff. July 1, 1994;

*Amended Eff. January 1, 2008; July 1, 2005; July 1, 2003; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
2017.*

21 NCAC 57A .0404 CHANGE OF NAME OR ADDRESS

All trainees, licensees, and certificate holders shall notify the Board in writing of each change of business address, residence address, or name change within 10 days of the change. The trainee, licensee, or certificate holder shall submit the Request for Reissuance of Appraiser Wall Certificate Due to Name Change form. The form shall be accompanied by the fee prescribed in G.S. 93E-1-7(d). The form may be found on the Board's website at www.ncappraisalboard.org, and shall include the following information:

- (1) licensee's previous name;
- (2) licensee's new name;
- (3) the date the name was legally changed;
- (4) signature, date, and license number; and
- (5) the legal documentation showing the name change.

*History Note: Authority G.S. 93E-1-10;
Eff. July 1, 1994;
Amended Eff. August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
2017;
Amended Eff. July 1, 2022; May 1, 2020.*

21 NCAC 57A .0405 APPRAISAL REPORTS

(a) Each written appraisal report prepared by or under the supervision of a licensed or certified real estate appraiser shall bear the signature of the licensed or certified appraiser, the license or certificate number of the licensee or certificate holder in whose name the appraisal report is issued, and the designation "licensed residential real estate appraiser," "certified residential real estate appraiser," or "certified general real estate appraiser," as applicable. Each such appraisal report shall also indicate whether or not the licensed or certified appraiser has personally inspected the property, and shall identify any other person who assists in the appraisal process other than by providing clerical assistance. Such identification must be placed in the body of the report. Appraisers shall personally affix their signature to their appraisal reports and shall not allow any other person or entity to affix their signature. Trainees are not required to affix their signatures to appraisal reports, but if they do so, they must personally affix their signature and shall not allow any other person or entity to affix their signature. Trainees and appraisers shall sign their reports with the same name and in the same manner as it printed on their pocket cards.

(b) Every licensed and certified real estate appraiser shall affix or stamp to all appraisal reports a seal which shall set forth the name and license or certificate number of the appraiser in whose name the appraisal report is issued and shall identify the appraiser as a "licensed residential real estate appraiser", a "certified residential real estate appraiser", or as a "certified general real estate appraiser", as applicable. The seal must be legible, must conform to the seal authorized by the Board at time of initial licensure or certification, and must be a minimum of 1 inch in diameter. Appraisers shall personally affix their seal to their appraisal reports and shall not allow any other person or entity to affix their seal. Registered trainees are prohibited from using a seal on appraisal reports.

(c) A licensed or certified real estate appraiser who signs an appraisal report prepared by another person, in any capacity, is responsible for the content and conclusions of the report.

(d) A written appraisal report shall be issued on all real estate appraisals performed in connection with federally related transactions.

(e) Appraisers shall keep a log of all appraisals performed. The log shall contain the appraiser's license or certificate number, the street address of the subject property, the date the report was signed, the name of anyone assisting in the preparation of the report and the name of the client. These logs shall be updated at least every 30 days.

(f) Any appraiser who signs an appraisal report is entitled to make or retain a copy of that appraisal report, as long as the copy is made at the time the report is prepared. Any appraiser who signs an appraisal report must be given a copy of the appraisal report and the work file upon request for the purpose of submission of the report and work file to the Appraisal Board, compliance with due process of law, such as a subpoena, submission to a peer review committee, or in accordance with retrieval arrangements made by the appraiser and the person or entity retaining the report and work file.

(g) Appraisal reports transmitted electronically to clients shall be sent in a secure format, such as Adobe PDF.

*History Note: Authority G.S. 93E-1-10;
Eff. July 1, 1994;
Amended Eff. July 1, 2011; July 1, 2010; September 1, 2008; January 1, 2008; March 1, 2007;
March 1, 2006; July 1, 2003; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
2017.*

21 NCAC 57A .0406 BUSINESS PRACTICES

Each trainee or appraiser who has an ownership interest in an appraisal firm must assure that:

- (1) notification according to 21 NCAC 57A .0404 is given to the Board of any change of business address or trade name of the firm and the registration of any assumed business name adopted by the firm for its use; and
- (2) advertising of appraisal services by or in the name of the firm is conducted as set out in 21 NCAC 57A .0403.

*History Note: Authority G.S. 93E-1-3(b); 93E-1-10;
Eff. July 1, 1994;
Amended Eff. July 1, 2005; August 1, 2002; April 1, 1999;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,
2017.*

21 NCAC 57A .0407 SUPERVISION OF TRAINEES

(a) A certified real estate appraiser may engage a registered trainee to assist in the performance of real estate appraisals, provided that the appraiser:

- (1) has been certified for at least three years;
- (2) has the number of trainees working under him or her at any one time as follows:
 - (A) a certified residential appraiser may have two trainees working under his or her supervision at any one time. Once at least one of those trainees has completed 50 percent of the required appraisal experience as set forth in G.S. 93E-1-6, a certified residential appraiser may add another trainee; and
 - (B) a certified general appraiser may have three trainees working under his or her supervision.
- (3) prior to the date any trainee begins performing appraisals under his or her supervision, the supervisor shall inform the Board of the name of the trainee by filing a Supervisor Declaration Form with the Board. The form may be found on the Board's website at www.ncappraisalboard.org. The supervisor shall also inform the Board when a trainee is no longer working under his or her supervision by using the Supervisor Declaration Form. The form shall include the following information:
 - (A) the name and registration number of trainee;
 - (B) the name and certification number of supervisor;
 - (C) the date the trainee completed the supervisor/trainee course;
 - (D) the date the supervisor completed the supervisor/trainee course;
 - (E) whether the supervisor has had any disciplinary action within the past three years or pending complaints against his or her certification; and
 - (F) the signature of both the supervisor and trainee (only required for association).
- (4) actively and personally supervises the trainee on all appraisal reports and appraisal related activities until the trainee is no longer under his or her supervision;
- (5) reviews all appraisal reports and supporting data used in connection with appraisals in which the services of a trainee is utilized, and assures that research of general and specific data has been conducted and reported, application of appraisal principles and methodologies has been applied, and that any analysis, opinions, or conclusions are developed and reported so that the appraisal report is not misleading;
- (6) complies with all provisions of Rule .0405 of this Section regarding appraisal reports;

- (7) reviews and signs the trainee's log of appraisals prepared in accordance with Paragraph (c) of this Rule. The supervisor shall make available to the trainee a copy of every appraisal report where the trainee performs more than 75 percent of the work on the appraisal; and
- (8) has not received any disciplinary action against his or her appraisal certificate from the State of North Carolina or any other state within the previous three years. For the purposes of this Subparagraph, "disciplinary action" means an active suspension, a downgrade of a credential, a revocation, or any other action that restricts a supervisor's ability to engage in appraisal practice.

(b) "Active and personal supervision" includes direction, guidance, and support from the supervisor. The supervising appraiser shall have input into and knowledge of the appraisal report prior to its completion, and shall make any changes to the report before it is transmitted to the client. 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. The supervisor shall accompany the trainee on all inspections of subject properties that are located more than 50 miles from the supervisor's primary business location.

(c) An appraisal experience log shall be maintained jointly by the supervisor and the trainee. Both the supervisor and the trainee are responsible for maintaining the experience log and ensuring that it is accurate, current, and includes the following:

- (1) the type of property appraised;
- (2) the type of appraisal performed;
- (3) the date the report was signed;
- (4) the complete street address of appraised property;
- (5) a description of the work performed by the trainee;
- (6) the scope of review and supervision of the supervisor, including whether the supervisor accompanied the trainee on the inspection of the subject property;
- (7) the number of actual work hours by the trainee on the assignment; and
- (8) the signature and state certification number of the supervisor.

The log shall be updated at least every 30 days. A separate log shall be maintained for each supervising appraiser. A log form is available on the Board's website at www.ncappraisalboard.org.

(d) An appraiser shall attend an education program regarding the role of a supervisor before any supervision of a trainee. This course shall be taught only by instructors approved by the Board in accordance with 21 NCAC 57B .0614.

(e) Trainees shall ensure that the Appraisal Board has received the Supervisor Declaration Form on or before the day the trainee begins assisting the supervising appraiser by contacting the Board by telephone or email at ncab@ncab.org. The form may be found on the Board's website at www.ncappraisalboard.org. Trainees shall not receive appraisal experience credit for appraisals performed in violation of this Paragraph.

(f) Supervising appraisers shall not be employed by a trainee or by a company, firm, or partnership in which the trainee has a controlling interest.

(g) If a trainee signs an appraisal report or provides assistance in the appraisal process and is noted in the report as having provided assistance, the appraiser signing the report shall have notified the Appraisal Board before the appraisal is signed that he or she is the supervisor for the trainee. If more than one appraiser signs the report, the appraiser with the highest level of credential shall be the declared supervisor for the trainee. If all appraisers signing the report have the same level of credential, at least one of them shall be declared as the trainee's supervisor before the report is signed.

(h) Only one trainee may receive credit for providing real property appraisal assistance on an appraisal report.

History Note: Authority G.S. 93E-1-6.1; 93E-1-10; 93E-1-12; Eff. July 1, 1994; Amended Eff. January 1, 2015; July 1, 2014; January 1, 2013; July 1, 2010; September 1, 2008; January 1, 2008; March 1, 2007; March 1, 2006; July 1, 2005; August 1, 2002; April 1, 1999; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017; Amended Eff. May 1, 2020; July 1, 2019.

History Note: Authority G.S. 93E-1-10;
Eff. July 1, 1994;
Repealed Eff. August 1, 2002.

21 NCAC 57A .0409 REPORTING REQUIRED ACTIONS

Whenever any of the actions outlined in G.S. 93E-1-12(b)(1),(2),(4),(5),(6) are taken against a trainee, licensee or certificate holder, the registration/license/certificate holder must report those actions to the Board within 60 days of the final judgment or final order on a form prescribed by the Board.

History Note: Authority G.S. 93E-10; 93E-1-12(b)(7);
Eff. August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017.

21 NCAC 57A .0410 APPRAISAL MANAGEMENT COMPANIES

An appraiser who performs an appraisal for an appraisal management company (AMC) shall verify that the company is registered with the North Carolina Appraisal Board pursuant to G.S. 93E-2-4, unless the AMC is exempt from registration pursuant to G.S. 93E-2-2, before accepting the assignment.

History Note: Authority G.S. 93E-2-1; 93E-2-3; 93E-2-4(a);
Eff. January 1, 2011;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017;
Amended Eff. September 1, 2021; May 1, 2020.

SECTION .0500 – STANDARDS OF APPRAISAL PRACTICE

21 NCAC 57A .0501 APPRAISAL STANDARDS

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

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

(b) A copy of USPAP may be obtained from the Appraisal Foundation at <https://www.appraisalfoundation.org>. The cost for a copy of USPAP is seventy-five dollars (\$75.00).

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

SECTION .0600 - EXPERIENCE CREDIT

21 NCAC 57A .0601 EXPERIENCE CREDIT TO UPGRADE

Applicants for licensure or certification shall meet the Real Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's Appraiser Qualifications Board. An applicant shall obtain the required experience by performing or reviewing appraisals using appraisal methods and processes that are employed by real estate appraisers and shall comply with the edition of the USPAP in effect at the time of the appraisal, in addition to meeting the applicable requirements set forth in this Section.

History Note: Authority G.S. 93E-1-10;
Eff. July 1, 2016;
Amended Eff. May 1, 2020.

21 NCAC 57A .0602 ACCEPTABLE EXPERIENCE – RESIDENTIAL CATEGORY

Appraising the following types of properties qualifies as residential appraisal experience:

- (a) residential single-family;
- (b) residential multi-family of 2 – 4 units;
- (c) residential vacant lot (1 – 4 family property); and
- (d) farm properties consisting of less than 100 acres and a homestead.

History Note: Authority G.S. 93E-1-10;
Eff. July 1, 2016.

21 NCAC 57A .0603 ACCEPTABLE EXPERIENCE – GENERAL CATEGORY

Appraising the following types of properties qualifies as general appraisal experience:

- (1) land such as farms of 100 acres or more in size, undeveloped tracts, residential multi-family sites other than those listed in Rule .0602 of this Section, commercial sites, industrial sites, or land in transition;
- (2) residential multi-family properties (5 or more units) such as apartments, condominiums, town-houses, or mobile home parks;
- (3) commercial single-tenant properties such as office buildings, retail stores, restaurants, service stations, banks, or day care centers;
- (4) commercial multi-tenant properties such as office buildings, hotels, or shopping centers;
- (5) industrial properties such as warehouses or manufacturing plants; and
- (6) institutional properties such as assisted living facilities, nursing homes, hospitals, schools, churches, or government buildings.

History Note Authority G.S. 93E-1-10;
Eff. July 1, 2016.

21 NCAC 57A .0604 TYPES OF APPRAISAL EXPERIENCE

- (a) An applicant may receive experience credit for standard appraisals, supervising appraiser's reviews, review appraisals, and condemnation appraisals.
- (b) If the applicant performed at least 75 percent of the work associated with an appraisal, including a field inspection and preparation of the appraisal report, full credit shall be given for that appraisal. Except as provided in Paragraphs (d) and (e) of this Rule, no credit shall be awarded if the applicant performed less than 75 percent of the work on an appraisal.
- (c) A "standard appraisal" means the process of developing an appraisal in accordance with Standard Rule 1 of USPAP and preparing a written appraisal report or file memorandum describing the appraisal and reporting the estimate of value.
- (d) A "supervising appraiser's review" means the process of reviewing an appraisal report prepared by an affiliated appraiser and signing the appraisal report, including signing as "review appraiser" on a Uniform Residential Appraisal Report form. It shall not include signing a report that a real estate appraiser trainee has prepared.
- (e) A "review appraisal" means the process of reviewing an appraisal report prepared by another appraiser and preparing a separate written appraisal report or file memorandum setting forth the results of the review process. No more than 50 percent of an applicant's appraisal experience credit shall be from preparing review appraisals.
- (f) A "condemnation appraisal" means an appraisal of real property for eminent domain proceedings where a partial taking is involved and the appraiser must develop both a "before taking" and an "after taking" value.

(g) A "demonstration appraisal" means an appraisal performed without a client. No more than 25 percent of the applicant's experience shall be from preparing demonstration appraisals. If a trainee performs a demonstration appraisal, the trainee's supervisor shall sign the appraisal in order for the trainee to receive experience credit for it.

*History Note: Authority G.S. 93E-1-10;
Eff. July 1, 2016.*

21 NCAC 57A .0605 REPORTING APPRAISAL EXPERIENCE

(a) Applicants shall use the Appraisal Board's Appraisal Experience Log to report appraisal experience. The log is available on the Board's website at www.ncappraisalboard.org.

(b) The Log shall contain the following:

- (1) the applicant's name and signature;
- (2) the supervisor's name and signature;
- (3) the supervisor's certificate number;
- (4) the date the supervisor signed the log;
- (5) the subject property address;
- (6) the date the appraisal report was signed;
- (7) the report type such as an appraisal report, a restricted appraisal report, or the type of reporting form used;
- (8) the client's name;
- (9) the applicant's file number for the appraisal assignment, if any;
- (10) the number of hours requested for appraisal experience;
- (11) whether the supervisory appraiser accompanied the applicant on the inspection of the subject property; and
- (12) a description of the work performed by the applicant and his or her supervisor on each assignment.

(c) Applicants shall retain copies of all appraisals and their associated work files in accordance with the Record Keeping Rule of USPAP to support all appraisal experience reported on the log.

*History Note: Authority G.S. 93E-1-6.1; 93E-1-10;
Eff. July 1, 2016;
Amended Eff. September 1, 2019.*