## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2025

S SENATE BILL 690

	Short Title: Modify Licensing Real Est. Appraisers.										
	Sponsors: Senators Craven, Jarvis, and Jones (Primary Sponsors).										
	Referred to: Rules and Operations of the Senate										
		March 26, 2025									
1		A DILL TO DE ENTITLED									
1 2	A BILL TO BE ENTITLED AN ACT TO MODIFY THE LICENSING AND CERTIFICATION PROCEDURES OF THE										
3		CAROLINA APPRAISERS ACT.	IL								
4		Assembly of North Carolina enacts:									
5		ECTION 1. Chapter 93E of the General Statutes reads as rewritten:									
6	2-	"Chapter 93E.									
7		"North Carolina Appraisers Act.									
8		"Article 1.									
9		"Real Estate Appraiser.									
10	•••										
11	"§ 93E-1-4. Registration, license, or certificate required of real estate appraisers.										
12	When use	ed in this Chapter, unless the context otherwise requires, the term:									
13	(1)										
14		conclusion as to the value of identified real estate or specified interests there	in								
15		performed for compensation or other valuable consideration.									
16	(2										
17		employed or retained to act, or would be perceived by third parties or t									
18		public as acting, as a disinterested third party in rendering an unbias	ed								
19	(2	appraisal.	1								
20	(3	• • •	ırd								
21 22	(4	established under G.S. 93E-1-5.									
23	(4										
23 24		established on November 20, 1987, as a not-for-profit corporation under t laws of Illinois.	ne								
25	(5		<u>a</u> 1								
26	,	a) "Appraisar report in cans any communication, written of orar, of an appraisa "Appraiser Qualifications Board" or "AQB" means the board established									
27	<u>(5</u>	the Appraisal Foundation to set nationwide minimum education, experience									
28		and examination standards for real estate appraiser licensure and certification									
29	(5)	b) "Approved PAREA program" means a course or program developed by									
30	<u> (e</u>	third-party provider that has been approved by the Appraiser Qualification									
31		Board of the Appraisal Foundation and the Appraisal Board, which meets t									
32		standards for Practical Applications of Real Estate Appraisal and satisfies t									
33		experience requirements for real estate appraiser licensure or certification									
34		required by this Chapter.									
35	(6		sal								
36		Board evidencing that the person named therein has satisfied the requirement									



- 1 for certification as a certified real estate appraiser and bearing a certificate 2 number assigned by the Board. 3 "Certificate holder" means a person certified by the Board under the (7) 4 provisions of this Chapter. 5 "Certified general real estate appraiser" means a person who holds a current, (7a) 6 valid certificate as a certified general real estate appraiser issued under the 7 provisions of this Chapter. 8 "Certified residential real estate appraiser" means a person who holds a (7b) 9 current, valid certificate as a certified residential real estate appraiser issued 10 under the provisions of this Chapter. 11 (7c)"Comparative market analysis" and "broker price opinion" mean an estimate 12 prepared by a licensed real estate broker that details the probable selling price 13 or leasing price of a particular parcel of or interest in property and provides a 14 varying level of detail about the property's condition, market, and 15 neighborhood, and information on comparable properties, but does not include an automated valuation model. 16 17 "License" means that document issued by the North Carolina Appraisal Board (8) 18 evidencing that the person named therein has satisfied the requirements for 19 licensure as a licensed real estate appraiser and bearing a license number 20 assigned by the Board. 21 (8a) "Licensed residential real estate appraiser" means a person who holds a 22 current, valid license as a licensed residential real estate appraiser issued under 23 the provisions of this Chapter. 24 (9) "Licensee" means a person licensed by the Board under the provisions of this 25 Chapter. 26 "Practical Applications of Real Estate Appraisal" or "PAREA" means the (9a) 27 program framework established by the Appraiser Qualifications Board of the 28 Appraisal Foundation, providing an alternative to the traditional supervisor 29 and trainee method for satisfying real estate appraisal experience requirements 30 through technology-based training, case studies, and supervision by qualified 31 mentors. 32 "Real estate" or "real property" means land, including the air above and (10)33 ground below and all appurtenances and improvements thereto, as well as any 34 interest or right inherent in the ownership of land. 35 "Real estate appraiser" or "appraiser" means a person who for a fee or valuable (11)consideration develops and communicates real estate appraisals or otherwise 36 37 gives an opinion of the value of real estate or any interest therein. 38 "Real estate appraising" means the practice of developing and communicating (12)39 real estate appraisals. "Residential real estate" means any parcel of real estate, improved or 40 (13)unimproved, that is exclusively residential in nature and that includes or is 41 42 intended to include a residential structure containing not more than four 43 dwelling units and no other improvements except those which are typical 44 residential improvements that support the residential use for the location and 45 property type. A residential unit in a condominium, town house, or 46 cooperative complex, or planned unit development is considered to be 47 residential real estate. 48 49
  - (17) "Temporary appraiser licensure or certification" means the issuance of a temporary license or certificate by the Board to a person licensed or certified

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1		in another state who enters this State for the purpose of completing a particular
2		appraisal assignment.
3	(18)	"Trainee", "registered trainee", or "trainee real estate appraiser" means a
4		person who holds a current, valid registration as a trainee real estate appraiser
5		issued under the provisions of this Chapter.
6	(19)	"Trainee registration" or "registration as a trainee" means the document issued
7	,	by the North Carolina Appraisal Board evidencing that the person named
8		therein has satisfied the requirements of registration as a trainee real estate
9		appraiser and bearing a registration number assigned by the Board.
10		off-mare many control of the following control
11	"§ 93E-1-6. Q	ualifications for registration, licensure, and certification; applications;
12	appli	cation fees; examinations.
13	(a) Any p	person desiring to be registered as a trainee or to obtain licensure or certification
14	as a licensed or c	certified real estate appraiser shall make written application to the Board on the
15		scribed by the Board setting forth the applicant's qualifications for registration,
16	-	ification. Each applicant shall satisfy the following qualification requirements:
17		Repealed by Session Laws 2019-146, s. 1, effective October 1, 2019, and
18	( ) (	applicable to registrations, licensures, and certifications issued after that date.
19	(4)	Repealed by Session Laws 2001-399, s. 1.
20	(5)	Obtain a high school diploma or its equivalent.
21	(6)	Successfully complete education, experience, and examination as required by
22	( )	The Appraisal Foundation's Appraiser Qualifications Board for each level of
23		registration, licensure, or <del>certification.</del> <u>certification</u> , or satisfy the
24		requirements sets forth in subsections (a1) through (a3) of this section.
25	(7)	Satisfy any additional education or experience requirements that the Board
26	(,)	may impose by rule.
27	(a1) An ag	oplicant for licensure as a licensed residential real estate appraiser shall satisfy
28		equirements by completing either of the following pathways:
29	(1)	Traditional Supervisor and Trainee Pathway. – Complete the traditional
30	<del></del>	supervised experience requirements established by the AQB and adopted by
31		the Board.
32	(2)	PAREA Pathway. – Successfully complete an approved Practical
33	<u>7=7</u>	Applications of Real Estate Appraisal (PAREA) program and meet all of the
34		following requirements:
35		a. Successfully complete all education and examination requirements for
36		licensure.
37		b. Graduate from an approved PAREA program.
38		c. Pass the state licensing examination.
39	(a2) An ap	oplicant for certification as a certified residential real estate appraiser shall satisfy
40		equirements by completing either of the following pathways:
41	<u>(1)</u>	<u>Traditional Supervisor and Trainee Pathway. – Complete the traditional</u>
42	(1)	supervised experience requirements established by the AQB and adopted by
43		the Board.
44	<u>(2)</u>	PAREA Pathway. – Successfully complete a PAREA program approved by
45	<u>(2)</u>	the Board and meet all of the following requirements:
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		II. After obtaining licensure, complete 50 full appraisal
50		reports reviewed by a certified appraiser.

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1				III.	Submit ten percent (10%) of those appraisal reports to
2					the Board. The Board shall review those appraisal
3					reports for accuracy and competency.
4			<u>2.</u>	Hold	a valid licensed residential real estate appraiser license
5					under this chapter in good standing for a period of a
6					ive years immediately preceding the date of application.
7		<u>b.</u>	Satisfy	_	lditional education and examination requirements for
8		_	-		prescribed by the Board.
9	(a3) The f	ollowin			apply to reports submitted under subsection (a2) of this
10	section by applic		-		
11	(1)				st be reviewed by a certified appraiser before submission
12	<u> </u>	to clie			
13	<u>(2)</u>			may in	clude the following types of appraisal reports among the
14	<del></del>			•	the certified appraiser or the Board for review:
15		<u>a.</u>			dential Appraisal Report (Desktop).
16		<u>b.</u>	_		Inspection Residential Appraisal Report.
17		c.			dential Appraisal Report (Hybrid).
18	<u>(3)</u>				emonstrate sufficient representation of various property
19			-		methods to ensure the applicant's competency across a
20		• •			opraising scenarios.
21	<u>(4)</u>				s, which include hypothetical or practice scenarios, shall
22					e Board or the reviewing appraiser as part of the required
23			ission.		
24	<u>(5)</u>	PARI	EA appli	cants a	re not required to use the same reviewing appraiser for
25		all re			•
26	<u>(6)</u>	A rev	iew app	raiser's	responsibility shall be limited to their evaluation and
27		revie	w of the a	appraisa	al reports submitted by the PAREA applicant. The review
28		appra	iser sha	ll not	bear responsibility for the content, conclusions, or
29		outco	mes of t	he PAl	REA applicant's work, except for the accuracy of their
30		own 1	eview.		
31	<u>(7)</u>	A rev	iew app	raiser	shall not be held liable for any errors, omissions, or
32		defici	encies i	n an aj	ppraisal report subsequently submitted by the PAREA
33		applic	cant to a	client	that were not corrected despite being identified in the
34		revie	<i>w</i> apprai	ser's rep	oort.
35	<u>(8)</u>	The F	AREA a	pplicar	nt, review appraiser, and any other individuals or entities
36		invol	ved in th	e appra	isal process shall comply with the Uniform Standards of
37		<b>Profe</b>	ssional	Apprai	sal Practice, state regulatory requirements, and the
38		requi	rements	of this	Chapter for real estate appraising.
39	(a4) Noth	ing in sı	ubsection	ns (a1)	through (a3) of this section shall be construed to limit or
40	modify the Boar	d's auth	ority to	grant re	egistration, licensure, or certification through traditional
41	supervised exper	rience re	eauireme	nts esta	ablished by the AQB and adopted by the Board.

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## "§ 93E-1-9. Nonresident licensure and certification.

An applicant from another state may become licensed or certified in North Carolina only by conforming to all of the provisions of this Chapter and, in the discretion of the Board, such other terms and conditions as are required of North Carolina residents applying for licensure or certification in such other state. Chapter, including meeting substantially similar education, experience, and examination requirements as required of North Carolina residents. Reciprocity agreements or allowances for applicants based solely on licensure or certification in another state are not permitted.

the Executive Director of the Board."

for temporary appraiser licensure or certification.

of the other state is in compliance with 12 U.S.C. § 3331, et seq.

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<del>(b)</del>

(d)

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- **SECTION 2.** The North Carolina Appraisal Board may adopt rules to implement the provisions of this act. **SECTION 3.** This act becomes effective October 1, 2025, and applies to applications

for licensure, certification, and reciprocal licensure and certification on or after that date.

The Board, in its discretion, may undertake to license or certify on a reciprocal basis,

The Board may by rule establish a procedure for granting temporary appraiser

Every applicant for State licensure, or certification under this Chapter who is not a

persons licensed or certified in another state if the appraiser licensing and certification program

licensure or certification and may charge an application fee of one hundred fifty dollars (\$150.00)

resident of this State shall submit with his or her application an irrevocable consent that service

of process in any action against the applicant arising out of the applicant's activities as a State-licensed or State-certified real estate appraiser may be made by delivery of the process on

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