



From its inception in 2012, NCREAA's purpose has been to advocate for appraisers.

NCREAA has succeeded in working through our legislators, our local chapters, other state professional organizations, and professional organizations from other states, to promote changes that have **directly benefited appraisers in North Carolina.**



SURETY BOND



NCREAA sponsored, promoted and worked to pass **HB565** which became [Session Law 2013-403, AN ACT TO AMEND THE LAWS REGULATING REAL ESTATE APPRAISERS](#), ratified by the Governor August 23, 2013. ***This law included changes that added a requirement for AMC's to have a surety bond in place.*** (note sections 5 and 6 in the document available at <https://www.ncleg.gov/>)



RECORD RETENTION

After extensive work NCREAA sponsored, promoted and worked to pass two very important bills. In 2015 the first was **HB651** which became [Session Law 2015-200, AN ACT TO BAR CIVIL ACTIONS FILED AFTER THE PERIOD OF RECORD RETENTION ESTABLISHED UNDER THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE OR FIVE YEARS, WHICHEVER IS GREATER, AND TO REQUIRE APPRAISAL MANAGEMENT COMPANIES TO ACCEPT CRIMINAL BACKGROUND CHECKS PERFORMED WITHIN THE PRECEDING TWELVE MONTHS](#), ratified by the Governor, ***This law provides a statute of limitations that requires that any complaint or action against an appraiser be brought within 5 years of the date the appraisal was performed.*** This helped to bring the requirement in line to match the 5 year record keeping rule of USPAP . Previously, there was no time limit on when complaints or actions could be brought against appraisers.



BACKGROUND CHECK

In addition, ***this law restricts AMCs from requiring appraisers to constantly pay for multiple background checks within a 12 month period.*** Before this law, many AMCs required an appraiser to pay for multiple background checks each year. The cost of these unnecessary duplicated background checks was burdensome on appraisers. This law does not restrict AMCs to accepting any specific background check, but they can no longer require appraisers to pay for more than one if they require others.



CUSTOMARY & REASONABLE FEES

NCREAA's efforts were then directed toward bill **HB577**, which later became **SB600** then [Session Law 2016-61, AN ACT TO REQUIRE APPRAISAL MANAGEMENT COMPANIES TO COMPENSATE APPRAISERS IN COMPLIANCE WITH FEDERAL LAW](#), ratified by the Governor June 30, 2016. ***This law was the result of over 18 months of hard work by NCREAA.***

The North Carolina Appraisal Board issued a "Guidance Document" for this law that stated;
"The Appraisal Board hereby states that the Appraisal and Inspection Fees Schedule for North Carolina appraisals published by the Department of Veterans Affairs, Atlanta Regional Loan Center (VA fee schedule) is a government agency fee schedule which AMCs may use as a presumption of compliance with SL 2016-61"



HYBRID / BIFURCATED APPRAISALS

NCREAA begins efforts to make North Carolina Appraisers and the North Carolina Appraisal Board / NCAB aware of "hybrid appraisals", a modified desktop appraisal product that was being marketed as a replacement for a full appraisal. NCREAA submitted a letter to NCAB to express our concerns. NCREAA continues to have serious concerns regarding the scope of work for these "hybrid" appraisal products. You may read NCREAA's letter on our website. *As a result of the work of NCREAA, our calls and letter, NCAB formed an Ad Hoc Committee of 3 NCAB Members to study the "Hybrid / Bifurcated" Appraisal issue.* As a result of this Ad Hoc Committee, NCAB included a Q & A Section in its Newsletter. You may view this newsletter on NCREAA's website <http://ncrean.ning.com/page/nc-appraisal-board> or on the NCAB website



OFFICE OF THE COMPTROLLER OF THE CURRENCY

NCREAA responds to the OCC (Office of the Comptroller of the Currency) the NCAB/North Carolina Appraisal Board, and FDIC/Federal Deposit Insurance Corporation (collectively, the agencies) invitation to comment on a proposed rule to amend the agencies' regulations requiring appraisals for certain real estate-related transactions. The proposed rule would increase the threshold level at or below which appraisals would **not be required** for residential real estate-related transactions from \$250,000 to **\$400,000**. **NCREAA** posted comments on the agencies website and submitted a letter. You may read NCREAA's Letter on our website.



NCREAA supports the efforts of the NC Association of Realtors®

The North Carolina Real Estate Appraiser Association supported House Bill 464 / Senate Bill 86 Small Business Health Care Act promoted by the NC Association of Realtors®. **NCREAA** was pleased to add its voice and support to the efforts being made by the NC Association of Realtors® and the National Association of Realtors® to promote Association Health Plans in our state. NCREAA announced our support of these legislative bills as part of this effort. These bills benefited all NC Appraisers, as well as all small businesses in our state. You may read NCREAA's Letter on our website. SB 86 / SESSION LAW 2019-202 AN ACT TO ESTABLISH STANDARDS FOR ASSOCIATION HEALTH PLANS AND MULTIPLE EMPLOYER WELFARE ARRANGEMENTS, became law 08/13/2019.



NCAB / North Carolina Appraisal Board / RULE CHANGES

NCREAA works closely with the North Carolina Appraisal Board to ensure that the **public trust** is maintained in our profession. We successfully worked with NCAB to add a "signed statement" to the complaint form. **Previously, complaints against appraisers could be made anonymously.** We also have commented on and suggested many of the [rule changes](#) NCAB passed including some that came about as a direct result of the new laws **NCREAA** worked so diligently to sponsor, promote and lobby to pass. For example; Complaints over 5 years are no longer accepted; All information in an investigation is now confidential until probable cause is established, thus, dismissed complaints will not be part of an appraiser's public record.



STATE APPRAISER ORGANIZATIONS

NCREAA has also led an effort to unify other state appraiser organizations to work together on federal and regional issues affecting the various state members. This effort has helped to form a network by which **30** state appraiser organizations worked together in order to promote advocacy for appraisers across the country. NCREAA has been a part of a joint effort with these other states to submit letters to federal agencies expressing appraiser's concerns regarding Fannie Mae's Appraiser Quality Monitoring / Collateral Underwriter and a [Federal Minimum Requirement](#) for Appraisal Management Companies / AMCs. **NCREAA** has been involved in many efforts to communicate the concerns of our appraiser members to state and federal agencies as they make policy changes that directly affect our industry. This effort includes authoring letters to various agencies as well as joining other state appraiser organizations as co-signers on letters.



THE APPRAISAL FOUNDATION AND PAREA

Practical Applications of Real Estate Appraisal

NCREAA has led an effort to ensure a responsible rollout of the PAREA training program in North Carolina to ensure maximum consumer protection and confidence, and stability in the North Carolina real estate markets through a competent and stable appraisal profession. NCREAA advocates for diversity, equity and inclusion, and supports programs that will lead to new appraisers reaching and maintaining the height of success in this often difficult and highly regulated profession. We strive to protect the future of the appraisal profession by advocating for a strong and sensible training program that we believe ensures the utmost competency and optimizes success for our newest members who deserve the opportunity to reach their greatest potential with the best training possible. If our new appraisers fail, so does consumer confidence and the future of the profession. To this end, NCREAA is actively involved at the NC Legislature in halting PAREA rules from going into effect until further studies are available for this largely unknown training program as well as any impacts it may have on consumers, real estate markets, and new appraisers entering into the profession. This is an ongoing effort that requires diligence and time to bring to successful completion, and for which we appreciate the support of our members.

And we've only just begun!

As we look forward to the future of professional real estate appraisal, with the support of NC Appraisers, **NCREAA** will continue working to advocate for the interests of our profession.

Join us.

