

The Board is monitoring COVID-19 and its impact. Beginning March 27, 2020, the Appraisal Board office will be closed to the public. We are continuing to provide services with as little disruption as possible.

If you have a question for the Board staff, we suggest that you email [ncab@ncab.org](mailto:ncab@ncab.org). Staff will be answering emails multiple times per day, whether working at the office or remotely. This will also allow your question to be routed to the individual who can best answer it. As we continue to get specific questions related to the COVID-19 situation, we will add the answer to the Q&A's below.

As the COVID-19 situation evolves, more information will be posted to this section. The Board encourages you to visit the NC Department of Health & Human Services [COVID-19 website](#) for information and resources related to the coronavirus.

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## Questions and Answers

Updated 3/30/20 –

**Q: What does the Governor's Shelter in Place/Stay at Home Order mean for appraisers?**

*A: Appraisers are noted within the order as being an essential business and operation. Please understand that while this statewide Order is in effect you could be asked to provide services in an area that is already under a citywide or countywide Order. The Board recommends that licensees confirm with the applicable jurisdiction to confirm that appraisal is considered an essential service. A list of those cities and counties that have issued their own stay at home or shelter in place order is assembled below.*

*The Order states that appraisers, like other essential service providers, are directed to the maximum extent possible, to work from home or telework. In accordance with the Order, appraisers should maintain Social Distancing Requirements. Social Distancing Requirements are described in the Order as follows:*

- *maintaining at least six (6) feet distancing from other individuals;*
- *washing hands using soap and water for at least twenty (20) seconds as frequently as possible or the use of hand sanitizer;*
- *regularly cleaning high-touch surfaces;*
- *facilitating online or remote access by customers if possible.*

**Q: What should I do if I have concerns about my safety?**

*A: The Board would encourage every licensee to use their best judgement and make their own determination as to whether they are comfortable with the assignment conditions and client instructions that accompany their engagement. Physical inspections of property and especially those conducted in the presence of other individuals might place the appraiser at risk or could place others at risk from you. Therefore, the Board would recommend that appraisers consider every assignment carefully during this crisis and be prepared to discuss the necessity of a physical inspections with their clients.*

**Q: How can I identify myself as an appraiser if I am stopped or questioned by law enforcement?**

*A: The Board would recommend that you carry your pocket license card while you are out performing your essential services along with your other standard identification. If for any reason you should need a replacement pocket card, please contact the Board office.*

**Q: As an AMC licensed in NC are there any additional steps or guidance that the Board would recommend?**

*A: Yes. The Board would encourage its AMC licensees that communicate directly with borrowers to make every effort to discuss the appraisal assignment and prepare the homeowner for the arrival of the appraiser for those assignments that require a physical inspection of the subject property.*

**Q: Will the Board Office remain operating?**

*A: Yes. The Board will continue to operate remotely. Essential staff will open the office for limited hours for deliveries, however the board office will not be open to the general public. Those who need to deliver documents in person should contact the Board in order to confirm a time they may do so. The staff will continue to monitor email and telephone communication throughout this period but would ask for your patience.*

**Updated 3/26/20 -**

**Q: Is the Board going to do anything about requiring home inspections?**

*A: The Board does not have the authority to suspend or amend any lender/client requirements for home inspections. Here is a link to information provided by The Appraisal Foundation on how appraisers may wish to proceed. If you or the property owner have concerns, about the inspection, I suggest you share your concern with your client. If we become aware of any*

*changes in the requirements from the GSE's (Fannie Mae/Freddie Mac) or federal banking agencies we will make that information available.*

[http://www.appraisalfoundation.org/iMIS/TAF/Coronavirus\\_and\\_Appraisers.aspx](http://www.appraisalfoundation.org/iMIS/TAF/Coronavirus_and_Appraisers.aspx)

**Q: I have been asked by my client to perform a desktop appraisal using the 1004 URAR form. I know that this form is for an interior and exterior inspection, which I am unable to complete due to concerns related to COVID-19. Can I provide the appraisal on this form?**

*A: The NC Appraisal Board does not regulate appraisal forms. The request of your client to utilize any specific type of form relates primarily to an assignment condition and/or client instruction. The appraiser must take appropriate steps in order not to issue a misleading report. Please remember that no form or format is compliant on its own. It is always up to the appraiser to ensure their communication is compliant.*

*If credible results cannot be obtained following these modified assumptions, limiting conditions, and certifications, then it is up to the appraiser to either of the following:*

- modify the assignment conditions to expand the scope of work to include gathering the information; or*
- use an extraordinary assumption about such information, if credible assignment results can still be developed.*

*As in the case with any assignment, when assignment conditions are so restrictive that credible results are not possible, then the appraiser should decline the assignment.*

**Q: Is it still possible to gain appraisal experience as a trainee if I am not performing an interior and exterior inspection of the subject?**

*A: Yes. Not every assignment requires a physical observation of the subject. Trainees are required to be accompanied by their supervisors when performing an inspection for their first 50 assignments or their first 1500 hours of appraisal experience. Trainees must also be accompanied when the scope of work requires an inspection on a property that exceeds a 50-mile radius of their supervisor's office.*

*Some believe that their first 50 assignments or their first 1500 hours can only include assignments where the trainee has performed both an interior and exterior inspection under the supervision of their supervisor. However, this is incorrect. The above requirements apply to those assignments where the scope of work requires a physical observation of the subject. This rule ensures that trainees are not being asked to perform inspections of properties when they*

*are otherwise not competent or appropriately prepared to do so. The rule makes sure that supervisors are actively supervising trainees.*

*Trainees may, of course, receive experience credit for assignments where the scope of work does not require an interior or an exterior observation. Desktop appraisals and other limited scope appraisals may be considered for experience credit if the trainee is being actively supervised and has participated in at least 75% of the assignment.*

*Remember that for a trainee to receive experience credit for an appraisal; he/she must sign the appraisal report, or there must be a detailed explanation of the assistance provided by the trainee in the subject appraisal.*

**Q: My supervisor is conducting the inspections alone to minimize the number of people potentially exposed to the COVID-19 Virus. Can I still get experience credit when I do not accompany my supervisor on the inspection?**

*A: Yes. The physical observation of the property can, in most instances, be a significant part of any appraisal assignment. That is not to say, however, that it is the only significant portion of an assignment. A registered trainee may receive experience credit without performing the physical observation of the subject if that trainee has supplied other supervised assistance that is meaningful to the assignment results. Selecting sales for comparison, applying adjustments, determining depreciation and cost estimates, determining the gross rent multiplier, and reconciling the approaches to value are all significant portions of a real property appraisal that can be just as significant as the physical observation of the subject.*

*For a trainee to obtain experience credit for the assignment, he/she must have either signed the subject appraisal or been identified in the report as providing significant real property appraisal assistance. Remember that you must have participated in at least 75% of the assignment, and your contribution should be explained to substantiate the experience hours that you are claiming.*

**Q: I contacted the borrower and they are requesting that I not visit the property? (Due to their concern, or they are self-quarantined). The order is for an interior inspection, what can I do?**

*A: Disclose to your client any concerns that you or the property owner may have in conducting an interior inspection. It will be up to the client to determine whether they can revise the scope of work to a desktop or exterior only inspection, or if the transaction will have to be delayed until an interior inspection can be done.*

**Q: What is the Board going to do about the USPAP CE requirement? My in-class course has been cancelled.**

*A: As of March 24, 2020, the Board has not made any changes to the annual CE requirement as a result of COVID-19. All CE hours may be taken online, and you have until May 31<sup>st</sup> to take the 7-Hour USPAP Update (which is all that is required this cycle). The Board will certainly consider the impact this has on appraisers taking their courses and if any change is necessary, we will keep licensees informed.*

**Q: Can I submit my renewal or application online?**

*A: The Board is currently working to allow online renewals for this cycle. However, we don't know if that work will be completed prior to any further interruption to work schedules. Further instructions will be emailed and/or posted to the website prior to the renewal period beginning in May. AMC renewal forms will be available on the website by March 26<sup>th</sup>. Currently we are not set up to accept online applications, but we will continue to process them unless there is a complete quarantine and we cannot report to the office. Again, we will try to put out information if our work environment changes.*

**Q: What is the impact on taking the licensing/certification exams?**

*A: Pearson VUE has advised us that the testing centers are closed until at least April 16<sup>th</sup>, possibly longer until it is safe to resume. If you have an exam ticket that expires between March – June 2020 without having taken five (5) permitted examination attempts, then your authorization (exam ticket) will be extended until September 30, 2020. We will issue extensions after the testing centers reopen. Any other extensions will be considered on a case by case basis.*

**Q: Will the Board allow trainees to take Basic Appraisal Principles, Basic Appraisal Procedures and the 15 HR USPAP online due to the restrictions put in place for COVID-19?**

*A: The Appraisal Board is allowing sponsors to apply for temporary approval to offer the trainee courses online. Any sponsors that get approval will be listed on our website at <http://www.ncappraisalboard.org/education/qualifyingedu.htm>.*

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## **Shelter in Place/Stay at Home Orders (Updated 3/30/20)**

Gov. Roy Cooper issued a 30-day statewide stay-at-home order on Friday March 27, 2020 in the hopes of quelling the spread of coronavirus infection to keep hospitals across North Carolina

from being overwhelmed by cases. The shelter in place order is effective March 30, 2020 at 5PM. The order is in effect for 30 days unless repealed, replaced, or rescinded by another applicable Executive Order. All individuals currently in the State of North Carolina are ordered to stay at home or their place of residence.

Only travel for Essential Activities as defined herein is permitted. The Executive Order allows travel into, within, or out of the State to maintain COVID-19 Essential Businesses and Operations and Minimum Basic Operations.

<https://files.nc.gov/governor/documents/files/EO121-Stay-at-Home-Order-3.pdf>

Updated 3/27/20 -

As of this date, the State of North Carolina has not issued a statewide shelter in place order. The Board Staff is aware of municipalities and counties where the local government has either recommended a shelter in place or a stay at home order has been issued or recommended. Some local governments have announced plans to issue such orders.

Most of these orders and proclamations do indicate exemptions regarding essential services. **The Board Staff would encourage you to contact these local governments in order to obtain specific information about essential services and whether appraisal is considered essential in that jurisdiction.**

Please see the following links for specific information regarding the areas affected.

[Buncombe County](#)

[Cabarrus County](#)

[City of Durham](#)

[City of Winston-Salem](#)

[Guilford County](#)

[Madison County](#)

[Mecklenburg County](#)

[Orange County](#)

[Pitt County](#)

[Rutherford County](#)

[Town of Beaufort](#)

[Wake County](#)

As these orders, proclamations, and recommendations are specific to only certain areas within the State, only those jurisdictions can definitively comment on what services are considered essential. The Board Staff will continue to monitor this situation and provide updated information as it becomes available.

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## **Assignment Guidance from GSEs and Other Clients (Updated 3/31/20)**

Some of the GSEs have made changes that are allowing temporary flexibilities to appraisal requirements. In some instances, exterior only and desktop appraisals in place of the interior and exterior inspection appraisal (i.e., traditional appraisal) are now allowed for various loan programs when an interior inspection is not feasible because of COVID-19 concerns. The following are links that provide guidance issued by the respective GSEs on this matter.

[Fannie Mae Lender Letter dated March 23, 2020](#) (updated 3/31/20)

[Freddie Mac Bulletin dated March 23, 2020](#)

[Freddie Mac FAQ's](#)

[VA's Valuation Practices During COVID-19 dated March 27, 2020](#)

[US Department of HUD Mortgagee Letter 2020-05 dated March 27, 2020](#)

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## **Q&A's from The Appraisal Standards Board (click on the links below)**

[2020-01: APPRAISAL DEVELOPMENT–INSPECTIONS](#)

Interior Inspections during a National Health Emergency

[2020-02: APPRAISAL REPORTING –CERTIFICATION AND SIGNATURES](#)

Modification of a “Standard” Appraisal Form with a Fixed Certification and Scope of Work

[2020-03: APPRAISAL DEVELOPMENT–PERSONAL PROPERTY INSPECTIONS](#)

Personal Inspections during a National Health Emergency