



APPRAISER REPORT

BOARD APPOINTMENTS

Governor Roy Cooper reappointed Viviree P. Scotton to the N.C. Appraisal Board for a three-year term ending June 30, 2027. She is a graduate of North Carolina Central University receiving a Bachelor of Business Administration Degree with a Concentration in Accounting. Ms. Scotton is a Certified Residential Real Estate appraiser and a Broker/Realtor. She was raised in Chatham County and currently resides in Chapel Hill with her husband, John. She is a member of NCPAC (North Carolina Professional Appraiser's Coalition).

President Pro Tempore of the Senate Phil Berger reappointed H. Clay Taylor III to the Appraisal Board for a three-year term ending June 30, 2027. Mr. Taylor is a retired Architect, whose offices in Raleigh specialized in commercial and government project architecture for over 40 years. He is a graduate of North Carolina State University with a B.A. in Architecture (1966). He served on the North Carolina Department of Administration's State Construction Coordinating Committee, as President of the North Carolina Chapter of the American Institute of Architects (AIA), President of local chapters of AIA and Construction Specifications Institute. He has also served as President of the Raleigh Kiwanis Club (currently the fifth largest in the world) and was a (founding) Board member of Raleigh's ArtsPlosure, Inc. He resides in Raleigh with his wife, Nancy.

Governor Roy Cooper reappointed Michael R. Warren to the Appraisal Board for a three-year term ending June 30, 2027. Mr. Warren is a graduate of Western Carolina University and holds a Bachelor of Science in Business Administration with a major in Computer Information Systems. He is a Certified Residential real estate appraiser performing appraisal assignments in Craven, Carteret, and Onslow counties. He is a member of the North Carolina Professional Appraisers Coalition (NCPAC). Mr. Warren resides in Beaufort with his wife, Gail.

BOARD ELECTS OFFICERS

Michael R. Warren of Beaufort has been elected Chair of the Appraisal Board for 2024-2025. Governor Roy Cooper first appointed Mr. Warren to the Board in 2018.

Claire M. Aufrance of Greensboro has been elected as Vice-Chair of the Appraisal Board for 2024-2025. Governor Roy Cooper first appointed Ms. Aufrance to the Board in 2019.

APPRAISER REPORT

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

NORTH CAROLINA APPRAISAL BOARD

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Roy Cooper, Governor

APPRAISAL BOARD MEMBERS

Mike Warren	
Chair	Beaufort
Claire M. Aufrance	
Vice-Chair	Greensboro
Sarah J. Burnham	Hickory
Lynn Carmichael	Arden
Darius R. Chase	Waxhaw
Marcella D. Coley	Boone
Jack C. (Cal) Morgan, III	Wilmington
Viviree Scotton	Chapel Hill
H. Clay Taylor, III	Raleigh

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Brandy M. March, *Deputy Director*
Jeffrey H. Davison, *Investigator*
Randall L. Echols, *Investigator*
Frank D. Fleming, *Investigator*
H. Eugene Jordan, *Investigator*
Mindy M. Sealy, *Office Manager*

APPRAISER COUNT			
(As of November 30, 2024)			
Trainees	507		
Licensed Residential	136		
Certified Residential	1,814		
Certified General	1,344		
Total Number	3,801		
AMC COUNT			
126			
APPRAISER EXAMINATION RESULTS			
December 1, 2023 – November 30, 2024			
Examination	Total	Passed	Failed
Licensed Residential	19	10	9
Certified Residential	28	19	9
Certified General	14	10	4

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

2025 RENEWAL INFORMATION

All trainees, licensed and certified appraisers will be required to have 28 hours of continuing education (CE), including the 2024-2025 7-Hour National USPAP Update course completed by May 31, 2025, in order to renew on time. The current continuing education cycle is June 1, 2023 – May 31, 2025. Please [login](#) to the licensee login section on our website to view your CE record. *If you notice that a course has not been reported, you must contact the Board approved sponsor. A complete list of approved sponsors and courses are available on our [website](#).*

A trainee, licensee or certificate holder may receive continuing education credit by taking any of the Board's approved precertification courses, other than Basic Appraisal Principles, Basic Appraisal Procedures or their approved equivalents. To request credit, email a copy of the course completion certificate from the qualifying education course requesting the Board to apply your qualifying education hours to your CE. **It is unnecessary to send requests for more than 30 hours. These hours do not negate the need for the 2024-2025 7-Hour USPAP Update course.** No continuing education credit will be given for courses taken before the licensee was registered as a trainee.

NEW CE REQUIREMENT EFFECTIVE JUNE 1, 2025

Beginning June 1, 2025, all trainee, licensed, and certified appraisers will be required to complete a course which meets the content requirements of the Valuation Bias and Fair Housing Laws and Regulations outline, as set forth in the 2026 Real Property Appraiser Qualification Criteria (Criteria), every continuing education cycle. The course length must be at least seven-hours the first time a trainee, licensee, or certificate holder completes the Valuation Bias and Fair Housing Laws and Regulations requirement. **Any courses taken prior to June 1, 2025, do not count towards this requirement.** If an appraiser completes the seven-hour (plus one hour exam) course as part of their qualifying education, they have met this requirement.

Once a licensee meets the initial requirement, the course length shall be at least four-hours each continuing education cycle thereafter.

2024 Rule Changes

The following rule changes approved by Board and Rules Review Commission went into effect August 1, 2024. The full set of rules can be found [here](#).

21 NCAC 57A .0204 CONTINUING EDUCATION

Incorporated the new requirements within the Appraiser Qualifications Board (AQB) Real Property Appraiser Qualification Criteria that go into effect on January 1, 2026, regarding the USPAP course name change and the addition of a course on Valuation Bias and Fair Housing Laws and Regulations.

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

Incorporated the new requirements within the AQB Real Property Appraiser Qualification Criteria that go into effect on January 1, 2026, regarding the USPAP course name change and the addition of a course on Valuation Bias and Fair Housing Laws and Regulations.

21 NCAC 57A .0301 TIME AND PLACE

Removed the limitation on the number of attempts to take the national exam from five per application and changed the pass date from one year to 24 months.

21 NCAC 57A .0303 RE-EXAMINATION

Extended the exam approval from one year to 24 months in accordance with the AQB Criteria.

21 NCAC 57A .0406 BUSINESS PRACTICES

This rule has been repealed.

21 NCAC 57A .0501 APPRAISAL STANDARDS

Removed the cost of the USPAP books as it is not a fee determined by the Board and is no longer accurate.

21 NCAC 57B .0302 COURSE CONTENT

Removed the reference to Guide Note 1 as it no longer outlines all the course content requirements within the AQB Real Property Appraiser Qualification Criteria that go into effect on January 1, 2026.

21 NCAC 57D .0101 FORM

Incorporated the current AMC registration application questions needed in accordance with the AMC Final Rule.

21 NCAC 57D .0202 REGISTRATION RENEWAL

Incorporated the current AMC renewal application questions needed in accordance with the AMC Final Rule, clarifies the year as being a calendar year.

21 NCAC 57D .0302 CHANGE OF NAME OR CONTACT INFORMATION

Amended the rule name to state Change in Registration & Reporting Requirements. Updated the list of actions that need be reported to the Board such as a change in name, federal ID, bond, ownership, organizational structure, registered agent, and events that may cause the AMC to no longer be in compliance with rules and laws. It also adds requirements for advance reporting of changes to the designated compliance person and persons owning more than 10 % of the AMC.

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

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

21 NCAC 57A .0201 Qualifications for Trainee Registration and Appraiser Licensure and Certification;

21 NCAC 57A .0601 Experience Credit to Upgrade;

21 NCAC 57A .0604 Types of Appraisal Experience;

21 NCAC 57A .0605 Reporting Appraisal Experience

Amended to allow for Practical Applications of Real Estate Appraisal (PAREA).

21 NCAC 57A .0405 Appraisal Reports

Removes the requirement of the seal on appraisal reports.

21 NCAC 57A .0407 Supervision of Trainees

Added language to allow PAREA, allows residential and general appraisers to supervise three trainees, reduces the requirement to accompany trainees on the first 50 inspections/1,500 hours of supervision, and removes the 50-mile inspection requirement and the 75% performance requirement. Requires trainees to sign or have assistance noted in the appraisal report.

INVESTIGATOR H. EUGENE JORDAN ANNOUNCES RETIREMENT

The Board and staff are both happy and sad to announce the retirement of H. Eugene Jordan effective January 31, 2025. Mr. Jordan has served the Board as an investigator for 14 years and has over 30 years of residential appraising in the Raleigh, NC area. His contributions have been integral to the success of the Board's enforcement program and in enhancing the public's trust in the appraisal profession in North Carolina. His hard work, commitment, and dedication will be greatly missed. The Board and staff would like to thank Mr. Jordan for his service, and we wish him the best of luck.

CO-SIGNING APPRAISAL REPORTS

This article discusses what is involved in co-signing an appraisal report and the implications it has on the person signing the report. The Uniform Standards of Professional Appraisal Practice (USPAP) covers this topic under workfile obligations, certification statements, and more.

When an appraiser signs a report, the appraiser accepts full responsibility for all elements of the certification, for the assignment results, and for all content within the appraisal report. This is true even when there are multiple signatures on a report. Therefore, an appraiser should only sign the report if the appraiser accepts that responsibility and must be aware that once the appraiser signs an appraisal report it fully becomes their appraisal, and they are responsible for its contents.

An appraiser or trainee, who provides significant assistance to another appraiser in the development of a report, may sign the report; however, they are not required to do so. What is required is that the appraiser or trainee be cited/acknowledged in the certification and a description of the extent of their assistance must be summarized (appraisal report) or stated (restricted appraisal report) within the report or within the certification statement per Standards Rule 2 or 4. Note: the extent of service does not have to be included in the certification statement, but the name of the appraiser or trainee providing significant assistance does need to be included.

If the signing appraiser relies on the work of another appraiser, or individual, they are responsible for the decision to rely on that work. The signing appraiser is required to have a reasonable basis for believing that those individuals performing the work are competent and have no reason to doubt the work of those individuals is credible.

When an appraiser or trainee only performs a specific portion of the appraisal, such as the income approach, it would **not** be appropriate for the appraiser or trainee to sign the report and take full responsibility for the appraisal and all elements within the certification statement. However, as above, the appraiser or trainee who was deemed as providing significant assistance and who performed a portion of the appraisal must be cited/acknowledged within the certification and a description of the extent of their assistance must be summarized or stated in the appraisal, as applicable.

An appraiser, for example, works in an appraisal firm where a senior appraiser in the office reviews every report prior to transmission to the client. In one assignment, the senior appraiser made changes to the value opinion in the report that the appraiser does not agree with. Because the appraiser does not agree with the changes and how it affected the appraisal report, the appraisal report does not represent the appraiser's own opinions and conclusions; therefore, the appraiser must **not** sign the report or the certification because the appraiser would not be able to agree with the following statement: I certify that, to the best of my knowledge and belief, the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are **my personal**, impartial, and unbiased professional analyses, opinions, and conclusions.

Certification Statements

A signed certification provides important disclosures about aspects of the assignment and its main purpose is to provide evidence that the appraiser recognizes their ethical obligations related to general conduct, development, and communication. Any appraiser who signs a letter of transmittal or an appraisal report must also sign a certification.

A certification must address the following items but does not have to be worded as shown below.

I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- I have performed no (or the specified) services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification, the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)
- no one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)

Reminder: A report may have more than one certification statement so if a certification statement does not include all the above elements, it should be supplemented with a second certification statement.

Workfile Obligations

When more than one appraiser signs an appraisal report, all signing appraisers are bound to the Record Keeping Rule of USPAP. To accomplish this, a variety of options are available as shown below.

- Every signing appraiser can maintain a copy of the workfile.
- One signing appraiser can maintain a copy of the workfile and any other signing appraisers must then establish an appropriate access arrangement for the length of the retention period.
- A firm may maintain the files and every signing appraiser must establish an appropriate access arrangement for the length of the retention period.

In the case of a trainee (or any other appraiser) who provides significant assistance to a report, but may not sign the report, the above applies, as the supervisory appraiser would be in violation of the Ethics Rule of USPAP if they impeded a trainee from accessing a workfile when needed for the following:

- submission to a state appraiser regulatory body;
- compliance with due process of law;
- submission to a duly authorized professional review committee; or
- compliance with retrieval arrangements.

The above information may be found in the 2024 version of USPAP and the corresponding Guidance and Reference Manual. Specifically, refer to Standards Rule 2-3; Record Keeping Rule; Advisory Opinion 31, and FAQ nos. 251-283.

BOILER-PLATE LANGUAGE IN REPORTS

While it may save time writing reports by using various boiler-plate text, appraisers are cautioned that using pre-populated verbiage in their reports may diminish the credibility of the report and could result in a misleading report, depending on what was included.

Situations in which the boiler-plate text may cause issues within the appraisal report include, but are not limited to, the following:

- a) the text is not relevant to the assignment;
- b) the text is not relevant to the subject property;
- c) the text contradicts something else in the report; and/or
- d) the text has not been reviewed for years making it no longer applicable, incorrect, or inappropriate.

As an example, an appraiser accepted an assignment on a manufactured home with an external only inspection being needed per the appraiser's developed scope of work. If the appraiser included boiler-plate commentary in the report regarding the definition of a complete visual inspection of the interior and exterior of the subject and then later stated the inspection was exterior only, these two statements contradict each other and result in a confusing report.

Standards Rule 1-1(c) states that the appraiser must not render appraisal services in a careless or negligent manner, such as making a series of errors that, although individually might not significantly affect the results of an appraisal, in the aggregate, would affect the credibility of those results.

Before an appraiser uses boilerplate text, an appraiser should consider the following:

- Is it relevant to a credible value conclusion?
- Does it help the client understand the steps taken towards the value conclusion?
- Does it make the report misleading at all?

The Appraisal Foundation (TAF) Appraiser Qualifications Board (AQB) Concept Paper - College Degree Requirements

The AQB has released a concept paper assessing the college degree requirement in the *Real Property Appraiser Qualification Criteria (Criteria)*. This is the first step in the AQB's comprehensive study of all aspects of the qualification criteria.

Public input is being sought as public comments are critical to the development of new editions of the *Criteria*. The Appraiser Qualifications Board values all input it receives. While the initial public comments ended on July 27, 2024, the AQB will still seek out additional comments when any amendments to the *Criteria* are being proposed.

You can find the Concept Paper [here](#) and the reference material for the Concept Paper – Assessment of College Degree Requirements within the *Criteria* [here](#).

WORK FILE REQUIREMENTS



TRAINEE CORNER

As part of an application for licensed residential, certified residential, or certified general status, the Board is required to have a reliable validation process to verify that every applicant's experience has not only met the AQB Criteria, but that it is USPAP compliant. To do this, a sample of an applicant's work is reviewed. This is referred to as the work product stage; where the Board staff select five appraisal reports from the applicant's experience log at random, two of which must include the entire workfile.

In addition, since the Board is also required to verify the hours claimed on the log, the applicant is requested to provide information to support those hours. Typically, this is done by identifying the amount of time spent on each section

of the report/task. This information is then compared to the significant assistance comments found within the appraisal report to ensure that they align and appear reasonable.

Workfiles must be in existence prior to issuing an appraisal report or communicating an assignment result. When more than one appraiser works on an assignment, every appraiser is subject to the workfile obligations. There are many ways an appraiser can meet this requirement such as making a copy or access arrangements. Unfortunately, access arrangements are not as trustworthy and the Record Keeping Rule does not apply to an appraiser's firm, family, or other party which means if the appraiser is no longer living, their heirs have no obligation to comply with the Record Keeping Rule under USPAP.

An appraiser having custody of a workfile must allow other appraisers with workfile obligations related to an assignment appropriate access and retrieval for the purpose of:

- submission to state appraiser regulatory agencies;
- compliance with due process of law;
- submission to a duly authorized professional peer review committee; or
- compliance with retrieval arrangements.

According to USPAP, the workfile must include:

- the name of the client and the identity, by name or type, of any other intended users;
- true copies of all written reports, documented in any type of media. (A true copy is a replica of the report transmitted to the client. A photocopy or an electronic copy of the entire report transmitted to the client satisfies the requirement of a true copy);
- summaries of all oral reports or testimony, or a transcript of testimony, including the appraiser's signed and dated certification; and
- all other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such other data, information, and documentation.

The fourth bullet point above, "all other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the location(s) of such other data, information, and documentation," may include, but are not limited to:

- Letter of Engagement & Assignment Condition(s)
- MLS Sheets & Comparable Sale Search Criteria
- Handwritten Notes & Sketches
- All Correspondence / Revision Requests
- Used/Considered Listings
- Market Analysis Summary Data
- Tax / Assessor Cards
- Zoning Sheets

- Flood Maps
- Purchase Agreement / Contract
- Construction Agreements
- Plans & Specifications
- Adjustment Support
- Any other information that would be necessary for another person to arrive at the same or similar conclusion.

Information used by the appraiser should be contained in the workfile and/or referenced so that it can be accessed or retrieved upon request.

Continuing Education & USPAP

There may be some confusion about the 15-Hour USPAP taken as qualifying education prior to registration and the 7-Hour USPAP Update course required for renewal, especially when a trainee first receives their registration. The 7-Hour USPAP Update course is not the same as the 15-Hour USPAP qualifying education course and it must still be taken by trainee appraisers when they are required to report continuing education (CE), as is the case with the 2025 renewal.

According to Board Rule 21 NCAC 57A .0204, the 7-Hour USPAP Update course must be taken between October 1 of an odd-numbered year and June 1 of an even-numbered year. Regardless of when registration takes place, all registrants and licensees must take the most recent USPAP update course prior to June 1 of every even-numbered year when required to report continuing education.

If a trainee was issued their registration prior to January 1, 2025, and is planning to renew in 2025, the trainee will need 28 hours of CE by **May 31, 2025**, including the most recent 7-Hour USPAP Update Course. Trainees who receive their initial registration after January 1, 2025, are not required to report CE during the 2023-2025 renewal period.

Trainee appraisers may also request that qualifying education courses taken during the time that they hold a registration (except for the Basic Appraisal Principles and Basic Appraisal Procedures) be counted towards their continuing education requirements for that CE cycle. The trainee would need to submit a copy of the course certificate to the Board's office with a request to apply the course towards their CE cycle. If the qualifying education exceeds 28 hours, the remaining hours are disregarded since carry-over is not allowed. Additionally, having 28 hours or more in qualifying education does not negate the need for the 7-Hour USPAP Update course.

Trainee Town Hall

For the last several years, the Board has been holding what we refer to as Trainee Town Halls. These sessions are scheduled via WebEx and allow Board staff to address specific topics and answer questions from trainees and their supervisors on the rules and requirements to upgrade to a licensed or certified appraiser. Information regarding these sessions is emailed to all current trainees and posted on the Board website once they are scheduled.

Mission Statement

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

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

USPAP Q&A

The Appraisal Standards Board (ASB) of The Appraisal Foundation develops, interprets, and amends the Uniform Standards of Professional Appraisal Practice (USPAP) on behalf of appraisers and users of appraisal services. The USPAP Q&A is a form of guidance issued by the ASB to respond to questions raised by appraisers, enforcement officials, users of appraisal services and the public to illustrate the applicability of USPAP in specific situations and to offer advice from the ASB for the resolution of appraisal issues and problems. The USPAP Q&A may not represent the only possible solution to the issues discussed nor may the advice provided be applied equally to seemingly similar situations. USPAP Q&A does not establish new standards or interpret existing standards. USPAP Q&A is not part of USPAP and is approved by the ASB without public exposure and comment.

2024-04: Personal Inspection – Use of this term

Question: Am I required to use the term “personal inspection” in my appraisal report?

Answer: No. USPAP does not require use of the specific term “personal inspection.” The term “personal inspection” is only used in USPAP in the certification requirements. For example, Standards Rule 2-3(a) states:

“I have/have not made a personal inspection of the property that is the subject of this report.”

The wording of a certification for each appraisal report does not have to match the exact wording of the applicable reporting standard (i.e., Standards Rules 2-3, 4-3, 6-3, 8-3 or 10-3) verbatim. The reporting standards only require that, at a minimum, each element addressed in the report’s signed certification must be the same elements noted in the applicable reporting standard (i.e., Standards Rule 2-4, 4-3, 6-3, 8-3, or 10-3).

Regarding a “personal inspection” (or the lack thereof), the appraiser can use different words to address this certification element; however, at a minimum, the USPAP meaning of the term “personal inspection” must be addressed.

For example, when addressing the “personal inspection” certification element in Standards Rule 2-3(a), any of the statements below may be appropriate:

1. I have made a personal inspection of the property that is the subject of this report.
2. I inspected, on-site and as part of the scope of work performed for this assignment, the interior and exterior of the property that is the subject of this report.
3. I have, as part of the scope of work performed for this assignment, inspected in-person from the street, the exterior of the property that is the subject of this report.
4. I did not conduct a personal inspection of the subject property as part of the scope of work of this assignment. I have, however, previously inspected the interior and exterior for a prior appraisal assignment, of the subject property on (date).
5. I did not conduct a personal inspection of the subject property as part of the scope of work of this assignment. I have, however, previously inspected the interior and exterior of the subject property on (date).
6. The appraiser performed a complete visual inspection of the interior and exterior areas of the subject property. The appraiser’s complete visual inspection was conducted onsite and in person as part of the scope of work of this assignment.
7. The appraiser has made a physical inspection of the property appraised and that the property owner, or [their] designated representative, was given the opportunity to accompany the appraiser on the property inspection.

AQB Q&A

The Appraiser Qualifications Board (AQB) of The Appraisal Foundation establishes the minimum education, experience and examination requirements for real property appraisers to obtain a state license or certification. The AQB Q&A is a form of guidance issued by the AQB to respond to questions raised by appraisers, enforcement officials, users of appraisal services and the public to illustrate the applicability of the Real Property Appraiser Qualification Criteria and Interpretations of the Criteria in specific situations and to offer advice from the AQB for the resolution of appraisal issues and problems. The AQB Q&A may not represent the only possible solution to the issues discussed nor may the advice provided be applied equally to seemingly similar situations. AQB Q&A does not establish new Criteria. AQB Q&A is not part of the Real Property Appraiser Qualification Criteria. AQB Q&A is approved by the AQB without public exposure and comment.

Guidance on Valuation Bias and Fair Housing Laws and Regulations Course Requirements

Can a CE version of the course count as QE?

Question: What happens when individuals who currently have a credential take a course that meets the valuation bias and fair housing laws and regulations outline (VB-FH) for the 7-Hour course for Continuing Education (CE), and then they later upgrade? Do they then have to take the 8-hour VB-FH course (7 hour plus exam), just the exam, or are they considered grandfathered (with respect to the exam) because they held a credential at the time the new requirement was implemented?

Answer: CE credit hours cannot be used to satisfy Qualifying Education (QE) requirements, with the following exception. If an individual seeking to upgrade their credential took a VB-FH 7-hour course during their most recent CE cycle, a state may recognize the CE course as meeting the QE requirement if the student takes and passes the required 1-hour exam component of the 8-hour VB-FH QE requirement. As a result, the student would not need to repeat the course content.

It is important to note that both the CE and QE VB-FH courses must be currently approved by the state to qualify for this exception.

Can the course include relevant state-specific content?

Question: If a course that is intended to meet the Real Property Qualification Criteria's outline for valuation bias and fair housing laws and regulations also includes relevant state-specific course materials on this topic, is the course eligible for QE or CE approval via the Appraisal Foundation's Course Approval Program (CAP)?

Answer: The outline for a course on valuation bias and fair housing laws and regulations in the 2026 Criteria requires education developers to follow the complete outline when developing this course, which includes the federal fair housing and antidiscrimination laws and regulations topic. As stated, the requirement for the sections of the course that cover laws and regulations is that the course addresses federal fair housing and antidiscrimination laws and regulations.

The AQB understands there might be instances where some minor content in the course may refer to or be an example of a state-specific law or regulation. Since CAP approves courses for all states and territories, it cannot approve a course with material applicable only to an individual state.

Therefore, a Valuation Bias and Fair Housing Laws and Regulations course submitted for CAP approval must strictly adhere to the outlined criteria and cover only the specified content. Minor references to state-specific issues may be acceptable as examples, but the primary focus must remain on federal fair housing and antidiscrimination laws and regulations.

Disciplinary Actions

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

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

Amber Amos A8585 (Holly Springs)

By consent, the Board voted that effective August 7, 2024, Amber Amos' certification as a general appraiser is reprimanded. No later than February 7, 2025, Respondent shall complete the following coursework: the 30-hour residential sales comparison and income approach qualifying education course and The Appraisal Foundation's corrective education course entitled, "Ethics, Competency, and Negligence." No later than February 7, 2025, Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses above and provide certificates of completion to the Board office by February 7, 2025, the reprimand will be vacated, and an active suspension shall be activated in its place on February 8, 2025. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal, which was co-signed by a certified residential appraiser, to determine the current market value for mortgage lending on a single-family residential property located in North Carolina. In Respondent's appraisal report, she relied on comparable sales that were inappropriate, as several additional sales existed in the subject property's subdivision that were better substitutes. Of the alternate sales that existed in the MLS, nine offered similar overall quality, were in the subject property's development, and had sold within the same time frame as the comparable sales utilized by Respondent. Seven out of the nine alternate sales required minimal to no condition adjustments and any adjustments that were required would have been less than the adjustments applied to the comparable sales utilized in the appraisal report. Respondent expanded the parameters of her search for comparable sales in order to locate sales to bracket the subject property's contract price. In addition,

Respondent did not make a gross living area (GLA), quality, or condition adjustment, which would have been appropriate due to the wide variance of the post adjusted values that existed in Respondent's appraisal reports between the comparable sales utilized and the alternate sales that were available in the subject subdivision. If Respondent had properly applied market-supported adjustments to the comparable sales that were utilized in the appraisal report, the post adjusted values of these comparable sales would have been more consistent with the alternate sales located in the subject's subdivision.

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

Steven B. Coble A5409 (Greensboro)

By consent, the Board voted that effective February 7, 2024, Steven B. Coble's certification as a residential appraiser is reprimanded. No later than August 7, 2024, Respondent shall complete the following coursework: a seven-hour continuing education course in sales comparison; one or more continuing education courses totaling a minimum of seven-hours in defending appraisals and supporting adjustments; and two corrective education courses, one entitled, "Scope of Work: Appraisals and Inspections," and one entitled, "Sales Comparison Approach Reconciliation." No later than August 7, 2024, Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses by August 7, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal to determine current market value for mortgage lending on a single-family residential property located in North Carolina. In

Respondent's appraisal report, Respondent did not make an adjustment for comparable sale no. 2 for the sauna and swimming pool or the guest house that consisted of one bedroom and a bathroom. In addition, Respondent's appraisal report did not accurately report the physical features of comparable sale no. 2. Further, the comparable sales that were used by Respondent in his appraisal report were not the most locationally and physically similar sales to the subject property. The four alternate sales provided by Complainant, which Respondent did not consider, were all more similar to the subject than the sales that were used by Respondent with regard to location, physical amenities, upgrades/remodeling, and surrounding properties.

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

R. Lee Currin A4775 (Rocky Mount)

By consent, the Board voted that effective April 10, 2024, R. Lee Currin shall voluntarily surrender his certification as a residential appraiser. No later than April 10, 2024, Respondent shall no longer engage in the business of real estate appraisal or advertise or hold himself out as engaging or conducting real estate appraisal services, including making any corrections or revisions to any appraisal reports, or accepting any new appraisal assignments.

Respondent has two disciplinary matters pending against him and in lieu of requesting a hearing regarding these matters, has entered into this Consent Order to resolve those matters. Respondent's conduct in the two disciplinary matters constitutes violations of Uniform Standards of Professional Appraisal Practice (USPAP), the North Carolina Appraiser's Act, and Board Rules.

Leonard Eudy A885 (Salisbury)

By consent, the Board voted that effective June 5, 2024, Leonard Eudy's certification as a residential appraiser is Reprimanded. No later than December 5, 2024, Respondent shall complete the following coursework: a course on professionalism that is preapproved by Board staff; one continuing education course in either supporting adjustments or sales comparison; one continuing education course in appraiser liability; and the corrective education course entitled, "Ethics, Competency, and Negligence." No later than December 5, 2024, Respondent shall provide certificates of

completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses above and provide certificates of completion to the Board office by December 5, 2024, the Reprimand will be vacated, and an active suspension shall be activated in its place on December 6, 2024. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office. Beginning on July 1, 2024, Respondent shall be accompanied by a Board approved chaperone on all appraisals and exterior or interior inspections for a period of four-months ending on November 1, 2024. The chaperone shall be present with Respondent during the entire period that Respondent is at the property. Respondent shall not perform any appraisals or inspections on real property without the chaperone accompanying him. During the time period set forth above, Respondent shall be required to complete an appraisal log for each appraisal and each inspection done. The chaperone shall sign the appraisal log for each appraisal or inspection for which he/she was present verifying that he/she was present. Respondent shall submit a copy of his appraisal log on the first of every month beginning August 1, 2024, and ending on November 1, 2024. The appraisal log will be subject to a random audit by Board staff. No later than June 5, 2024, Respondent shall submit a list of possible chaperones to the Board office. Each possible chaperone shall either be licensed by a licensing board in North Carolina and his/her license must be good standing for the duration of the chaperoning period or shall receive a criminal background check at their expense by Castlebranch, Inc. and provide the results to the Board office. So long as the chaperone does not have a criminal record, they shall be approved by Board staff to accompany Respondent. No individual, other than the individuals that are approved by Board staff to chaperone Respondent, may accompany him on any appraisals or inspections in order to satisfy the conditions. Respondent shall provide all Board approved chaperones with a copy of his Consent Order before they accompany him on any appraisals or inspections. If Respondent fails to have a Board staff approved chaperone accompany him on any appraisals or inspections done during the above four-month time period, his license shall be immediately actively suspended for a period of six months. Following the suspension, the four-month time period set forth above shall restart.

Respondent performed an appraisal to determine the current market value for a refinance transaction on a single-family residential property located in North Carolina. In Respondent's appraisal report, he did not make a condition adjustment for comparable sale numbers 2 and 3. Respondent's rating of comparable sale numbers 2 and 3 was not reasonable because these two comparable sales had been completely updated throughout to include new bathrooms fixtures, kitchen cabinets, counter tops, floor coverings, and fresh paint inside and outside. In addition, the Board's evidence would show that Respondent engaged in unprofessional conduct with the homeowner. Respondent contends that he would introduce testimony in rebuttal of this.

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

Thomas Harris A7619 (Wilmington)

By consent, the Board voted that effective August 7, 2024, Thomas Harris' certification as a residential appraiser is reprimanded. No later than February 7, 2025, Respondent shall complete the following coursework: the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) course and the exam; and the Appraisal Foundation's corrective education courses entitled, "Ethics, Competency, and Negligence," and "Report Certifications: What Am I Signing and Why?" No later than February 7, 2025, Respondent shall provide certificates of completion for all courses to the Board office. The 15-hour USPAP course may be used for Respondent's continuing education credit hours, and all of the other hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses above and provide certificates of completion to the Board office by February 7, 2025, the reprimand will be vacated, and an active suspension shall be activated in its place on February 8, 2025. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed two appraisals to determine current market value on residential properties located in North Carolina. In case number 2023-0021, Respondent's appraisal report stated that the appraisal was done for lending purposes, when it was for a private individual, which resulted in a misleading appraisal report. In case number 2023-0100, in Respondent's

appraisal report, he used incorrect photographs of the subject property and comparable sales. In addition, Respondent provided his revised appraisal report to the borrower, without obtaining authorization from his client, which violates the Ethics Rule in the Uniform Standards of Professional Appraisal Practice (USPAP).

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

Ronald Hawkins A2746 (Statesville)

By consent, the Board voted that effective August 7, 2024, Ronald Hawkins' certification as a general appraiser is reprimanded. No later than February 7, 2025, Respondent shall complete the following coursework: the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) course and the exam, two continuing education courses, one in non-lending appraisals and one in income approach for commercial properties. No later than February 7, 2025, Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses above and provide certificates of completion to the Board office by February 7, 2025, the reprimand will be vacated, and an active suspension shall be activated in its place on February 8, 2025. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal to determine the current market value for private use on a commercial property located in North Carolina. Respondent failed to deliver the appraisal report in a timely manner. Respondent has been warned in the past by the Board pertaining to delivering his appraisal reports in a timely manner. There were a series of errors in Respondent's non-lending appraisal report of a retail store with an apartment on the second level, which led to a misleading report that lacked credibility. The errors included the following: Respondent's appraisal report did not state the real property interest being appraised: Fee Simple or Leasehold; Respondent's report did not indicate whether the zoning compliance was legal, nonconforming, illegal, or no zoning; Respondent's report did not identify the highest and best use: Present Use or Other Use; Respondent's report indicated an effective date of 06/28/2023, and a signature date of 06/14/2023, yet the

appraisal was not a prospective opinion of value; Respondent's appraisal report did not state the reasons for excluding the income and cost approaches; Respondent's report did not properly analyze the comparable sales data; and Respondent did not maintain a complete workfile. Respondent states that during the time of this appraisal assignment he had a personal emergency going on which impacted the appraisal process.

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

Bobby D. Hensley A3916 (Whiteville)

By consent, the Board voted that effective March 6, 2024, Bobby Hensley's certification as a residential appraiser is reprimanded. No later than September 6, 2024, Respondent shall complete the following coursework: the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) course; a continuing education course on Appraiser Liability; and The Appraisal Foundation's corrective education course entitled, "Sales Comparison Approach Reconciliation." No later than September 6, 2024, Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above course work shall not be used for Respondent's required continuing education hours. If Respondent fails to successfully complete the courses by September 6, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal to determine current market value for a single-family residential property located in North Carolina. In Respondent's appraisal report, his final opinion of market value was not supported by the adjusted values of the comparable sales. Respondent completed ten appraisal reports for the subject property and did not maintain all of the reports in his workfile. Respondent misidentified the address of the subject property. Respondent provided inconsistent information in the appraisal report regarding the sales price, final opinion of value, contract price, and the effective date of the appraisal. Respondent's errors in the appraisal report significantly affected the appraisal and was reported in a misleading manner.

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

Bobby Hensley A3916 (Whiteville)

By consent, the Board voted that effective that effective September 25, 2024, Bobby Hensley voluntarily surrendered his certification as a residential appraiser. Effective September 25, 2024, Respondent shall not accept any new appraisal assignments, transmit any appraisal report for any prior engagements, perform any related appraisal services, or hold himself out as a certified or licensed appraiser in this state.

Respondent has not completed any of the course work set forth in the Consent Order effective on March 6, 2024. Respondent has informed the Board that he has retired and is no longer engaged in real estate appraising. He also did not renew his license as of June 30, 2024. To resolve Respondent's matter with the Board, in the consent order effective on March 6, 2024, Respondent has requested to voluntarily surrender his license, which he understands constitutes disciplinary action by the Board.

William Hooks A7714 (Durham)

By consent, the Board voted that effective August 7, 2024, William Hook's certification as a residential appraiser is inactively suspended for a period of three months. During the inactive suspension and no later than November 7, 2024, Respondent shall complete the following coursework: one continuing education course on Fair Housing and Bias; and three Appraisal Foundation's corrective education courses entitled, "Ethics, Competency, and Negligence," "Scope of Work: Appraisals and Inspections," and "Appraiser Self Protection: Documentation and Record Keeping." No later than November 7, 2024, Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses above and provide certificates of completion to the Board office by November 7, 2024, an active suspension shall be activated on November 8, 2024. The active suspension shall continue until the Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal to determine the current market value for a refinance transaction on a single-family residential property located in North Carolina. In Respondent's appraisal report, Respondent committed a series of errors which affected the credibility of his appraisal report and demonstrated a lack of competency and potential bias on Respondent's part. Specifically, Respondent's appraisal report improperly identified the subject property's neighborhood, which resulted in Respondent not using comparable sales in the same subdivision as the subject property. In Respondent's appraisal report he incorrectly identified the neighborhood as rural, when it was in an urban setting, and he incorrectly described the neighborhood boundaries. Respondent inappropriately relied on a comparable sale that was not in the subject property's subdivision and was inferior to the subject in quality and square footage. Respondent used an inappropriate comparable sale in terms of proximity to the subject property and did not make a location or site adjustment. Respondent inconsistently listed exposure times in his appraisal report and supplemental addendum. Respondent was also unable to produce a copy of one of his appraisal reports.

Respondent's conduct is in violation of Standards 1-1, 2-2, the Scope of Work Rule, the Record keeping Rule, and the Ethics Rule of the Uniform Standards of Professional Appraisal Practice (USPAP), N.C. Gen. Stat. §§ 93E-1-12 of the North Carolina Appraiser's Act, and Board Rule 21 NCAC 57A .0501.

Gwen Keller A5102 (Asheville)

By consent, the Board voted that effective August 7, 2024, Gwen Keller's certification as a residential appraiser is reprimanded. No later than February 7, 2025, Respondent shall complete the following coursework: two continuing education courses: one on supporting adjustments and one on appraiser liability; and the Appraisal Foundation's corrective education courses entitled, "Ethics, Competency, and Negligence," and "Scope of Work: Appraisals and Inspections." No later than February 7, 2025, Respondent shall provide certificates of completion for all courses to the Board office. The supporting adjustments continuing education course may be used for Respondent's continuing education credit hours, and all of the other hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses above and provide certificates of completion to the

Board office by February 7, 2025, the reprimand will be vacated, and an active suspension shall be activated in its place on February 8, 2025. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal to determine the current market value for mortgage lending on a single-family residential property located in North Carolina. In Respondent's appraisal report, Respondent rated comparable sale number 4 as Q2, when it should have been rated as Q3. In her second report, Respondent changed the rating to Q3 and explained that even though it did not reflect her opinion, it was changed at the reviewer's request. Additionally, Respondent changed the subject's quality rating from Q3 to Q4 based upon the reviewer's request, even though it was Respondent's opinion that the subject property should have been rated as Q3, which shows a lack of impartiality and independence. The adjustments that Respondent made for gross living area (GLA) and age were applied inconsistently and were not supported. Respondent did not use comparable sales from within the subject property's subdivision and did not make appropriate location adjustments for comparable sales that were used from other subdivisions. Respondent did not update the signed certification in subsequent reports.

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

David King A123 (Wilmington)

Following a hearing, the Board voted to reprimand Respondent's certification as a residential appraiser immediately upon delivery of the Final Decision. Respondent was required to complete the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) course, including the exam, and provide a certificate of completion to the Board office no later than October 1, 2024. If Respondent does not complete the 15-hour USPAP course and provide a certificate of completion by October 1, 2024, his license shall be revoked on October 2, 2024. Respondent did not complete the 15-hour USPAP course, and his license was revoked on October 2, 2024.

At the hearing, the Board concluded that Respondent's conduct violates the following: N.C. Gen. Stat. §§ 93E-1-12(a)(2), (9), and (11), which alone warrants the disciplinary action taken by the Board; Board Rule 21

NCAC 57A .0501, which alone warrants the disciplinary action taken by the Board; Standard Rule 2 and the Scope of Work Rule of USPAP, which alone warrants the disciplinary action taken by the Board; Standard Rule 1-1 of USPAP, which alone warrants the disciplinary action taken by the Board; and Standard Rule 1-2 of USPAP, which alone warrants the disciplinary action taken by the Board.

Robert Mann A6885 (Cary)

By consent, the Board voted that effective November 1, 2024, Robert Mann's certification as a residential appraiser is suspended for a period of six months, of which the first month shall be an active suspension until December 1, 2024, and the remaining five months shall be an inactive suspension until May 1, 2025. No later than February 5, 2025, Respondent shall complete the following coursework: the 30-hour residential sales comparison and income approach qualifying education course and The Appraisal Foundation's corrective education courses entitled, "Ethics, Competency, and Negligence" and "Report Certifications: What Am I Signing and Why." No later than February 5, 2025, Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses above and provide certificates of completion to the Board office by February 5, 2025, the inactive suspension will be vacated, and an active suspension shall be activated in its place on February 6, 2025. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office, at which time it will convert back to an inactive suspension.

In case number 2023-0040, Respondent co-signed an appraisal report as the supervisor of a trainee who also signed the report. The appraisal was completed to determine the current market value for mortgage lending on a single-family residential property located in North Carolina. In the report, there was no analysis on the sales history of the subject property. In addition, Respondent used dissimilar comparable sales due to the age and gross living area without adequate explanation, when other more similar comparable sales were available.

In case number 2023-0107, Respondent applied the signature and seal of another appraiser to a revised appraisal report that was originally completed eleven months prior by Respondent and the other appraiser. In

the revised appraisal report, Respondent added three comparable sales and then signed the revised appraisal report with both his and the other appraiser's signature and seal and transmitted the revised appraisal report to the client, without the other appraiser's knowledge or authorization.

In case number 2023-0108, Respondent co-signed an appraisal report with a certified general appraisal to determine the current market value for mortgage lending on a single-family residential property located in North Carolina. In the appraisal report, Respondent relied on comparable sales that were inappropriate, as several additional sales existed in the subject property's subdivision that were better substitutes. Respondent expanded the parameters of the search for comparable sales in order to locate sales to bracket the subject property's contract price. In addition, Respondent did not make a gross living area (GLA), quality, or condition adjustment, which would have been appropriate due to the wide variance of the post adjusted values that existed in Respondent's appraisal reports between the comparable sales utilized and the alternate sales that were available in the subject's subdivision. If Respondent had properly applied market-supported adjustments to the comparable sales that were utilized in the appraisal report, the post adjusted values of these comparable sales would have been more consistent with the alternate sales located in the subject's subdivision.

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

Michael Mellnik A8522 (Forest City)
Robert Mellnik A3750 (Forest City)

By consent, the Board voted that effective June 5, 2024, Michael (Respondent A) and Robert (Respondent B) Mellnik's certifications as residential appraisers are Reprimanded. No later than December 5, 2024, Respondent A shall complete a continuing education course in analysis and date verification, which shall count for continuing education credit hours. In addition, Respondent A shall complete two Appraisal Foundation's corrective education courses entitled, "Scope of Work: Appraisals and Inspections," and "Assignment Conditions, Elements, and Results." The Appraisal Foundation corrective education courses do not count for continuing education credit. No later than December 5, 2024, Respondent A shall submit certificates of completion for all courses to the Board

office. No later than December 5, 2024, Respondent B shall complete two continuing education courses, one in evaluating/reviewing appraisals, and one in appraiser liability. The appraiser liability course may count for continuing education, but the evaluating/reviewing appraisal course shall not count for continuing education credit. No later than December 5, 2024, Respondent B shall submit certificates of completion for all courses to the Board office. If Respondent A fails to successfully complete the courses above and/or Respondent B fails to successfully complete the courses above and provide certificates of completion to the Board office by December 5, 2024, the Reprimand will be vacated, and an active suspension shall be activated in its place on December 6, 2024. The active suspension shall continue until Respondent A and/or B provides proof of completion of the above courses to the Board office. Pursuant to Rule 21 NCAC 57A.0407, a certified residential appraiser is eligible to supervise a trainee so long as he or she 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 does not include a reprimand.

Respondents performed two appraisals to determine the current market value for purposes of mortgage lending for properties located in North Carolina. In Respondents' appraisal of property A, Respondents did not adequately identify, analyze, or record available comparable data by missing a 20.03-acre parcel and a 1,200 square foot metal accessory building belonging to comparable sale no. 2, which resulted in an appraisal report with misleading information and incomplete supporting data. In addition, Respondents did not provide adequate explanation or maintain support for the use of comparable sales. In Respondents' appraisal of property B, Respondents incorrectly calculated date/time adjustments using the closing date of the comparable sales rather than the contract date; and Respondents did not provide adequate analysis for their rationale as required by USPAP.

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

Matthew Melvin A6704 (Shelby)

By consent, the Board voted that effective September 25, 2024, Matthew Melvin's certification as a residential appraiser is reprimanded. No later than March 18, 2025,

Respondent shall complete two continuing education courses: one continuing education course in land appraisals, and one seven hour continuing education course in nonlending appraisals. No later than March 18, 2025, Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses above and provide certificates of completion to the Board office by March 18, 2025, the reprimand will be vacated, and an active suspension shall be activated in its place on March 19, 2025. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal on vacant land for purposes of equitable distribution of assets in a divorce settlement involving property located in North Carolina. In Respondent's appraisal report, Respondent relied on three comparable sales with physical, legal, utility, and locational differences with the subject property. Respondent's use of only sales from the town's jurisdiction that are significantly smaller and/or have significant utility differences than the subject did not consider important market influences. Respondent failed to adequately research and analyze other available information. In his appraisal report, Respondent did not provide sufficient information related to problem identification, identify relevant property characteristics, and adequately supplement a land form to comply with USPAP requirements. Respondent did not retain sufficient information in the workfile to support the assignment results. Respondent explained that he completed the appraisal report while undergoing significant personal grief due to the declining health of a family member and made unintentional errors as a result.

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

Wendy Mora A6473 (Woodleaf)

By consent, the Board voted that effective August 7, 2024, Wendy Mora's certification as residential appraiser is reprimanded. No later than February 7, 2025, Respondent shall complete the following coursework: the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) course and the exam, and a continuing education course in GSE

appraisal guidelines and requirements. No later than February 7, 2025, Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses above and provide certificates of completion to the Board office by February 7, 2025, the reprimand will be vacated, and an active suspension shall be activated in its place on February 8, 2025. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed two appraisals, one to determine the current market value for mortgage lending on a residential single-family property, and the other to determine current market value on a residential manufactured property, both properties are located in North Carolina. Both of Respondent's appraisal reports did not contain original photographs of the subject properties, which was an assignment requirement for both assignments. Respondent has been previously warned by the Board to include original photographs when it is an assignment requirement. In the second appraisal assignment, a private appraisal, there were a series of errors which detracted from the credibility of the appraisal reports, these included the following: the appraisal reports were prepared on a lending form in which the appraisal certification states that the appraiser has made a complete visual inspection of the interior and exterior areas of the subject property, however, an exterior only inspection was performed; Respondent stated they were restricted appraisal reports when they were not; the exposure time listed in Respondent's report differed from what was indicated in the report's addendum; Respondent's reports indicated that there are hypothetical conditions when there were none; and Respondent's appraisal reports provided inconsistent information about the HUD data plate.

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

Ellen V. Noffke A7873 (Asheville)

By consent, the Board voted that effective February 7, 2024, Ellen V. Noffke's certification as a residential appraiser is reprimanded. No later than August 1, 2024, Respondent shall complete the following coursework: (i) one online "O/L" Qualifying Education course in

USPAP (15 Hours) and (ii) 12 online hours of Corrective Education Courses from The Appraisal Foundation to include: "Missing Explanations," "Sales Comparison Approach and Reconciliation," and "Ethics, Competency and Negligence." No later than August 1, 2024, Respondent shall provide certificates of completion for all courses to the Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses by August 1, 2024, Respondent's license shall be actively suspended until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed two appraisals to determine current market value on single-family residential properties located in North Carolina. In the first case, Respondent did not report and analyze the subject's sales history or analyze the substantial increase in the subject's value since the prior sale. In addition, the comparable sales that Respondent used were physically dissimilar and Respondent omitted or made inadequate adjustments without support. Respondent also entered inaccurate and inconsistent information in the appraisal report regarding market conditions, which detracted from the credibility of the appraisal report.

In the second case, Respondent made inadequate adjustments to comparable sales. In addition, Respondent's adjusted values of the comparable sales did not support the appraised value, the most similar comparable sale was not given the most weight, and adequate documentation and explanation were not provided. Respondent did not use the most similar comparable sales in her appraisal report and, when presented with alternate sales, did not sufficiently reconsider her value opinion, which detracted from the credibility of the appraisal report.

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

Timothy Qualls A4369 (Siler City)

By consent, the Board voted that effective December 11, 2024, Timothy Qualls' license as a residential appraiser is reprimanded. No later than June 11, 2025, Respondent shall complete the following coursework: two continuing education courses, one on sales comparison and one on appraiser liability; and the Appraisal

Foundation's corrective education course entitled, "Missing Explanations." The appraiser liability continuing education course may be used for Respondent's continuing education credit hours, and all of the other hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the above courses and provide certificates of completion to the Board office by June 11, 2025, the reprimand will be vacated, and an active suspension shall be activated in its place on June 12, 2025. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal to determine the current market value for a residential single-family property located in North Carolina. In Respondent's appraisal report, Respondent inaccurately reported the physical features of one comparable sale. Respondent applied inadequate adjustments to two of the comparable sales due to water views and failed to adjust one comparable sale for its superior car storage. Respondent also used inappropriate comparable sales due to gross living area.

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

Tyler Schoenwolf A8859 (Charlotte)

By consent, the Board voted that effective August 7, 2024, Tyler Schoenwolf's certification as a residential appraiser is reprimanded. No later than February 7, 2025, Respondent shall complete the following coursework: the Appraisal Foundation's corrective education course entitled, "Scope of Work: Appraisals and Inspections," and two continuing education courses; one in supporting adjustments and one in land valuation. No later than February 7, 2025, Respondent shall provide certificates of completion for all courses to the

Board office. The hours for the above coursework shall not be used for Respondent's continuing education credit hours and requirements. If Respondent fails to successfully complete the courses above and provide certificates of completion to the Board office by February 7, 2025, the reprimand will be vacated, and an active suspension shall be activated in its place on February 8, 2025. The active suspension shall continue until Respondent provides proof of completion of the above courses to the Board office.

Respondent performed an appraisal on vacant land for the purposes of equitable distribution of assets in a divorce settlement involving property located in North Carolina. In Respondent's appraisal report, he did not utilize the most similar comparable sales when alternate sales that were significantly more similar to the subject property were available. Respondent made a series of errors that detracted from the credibility of the appraisal report, and he rendered services in a careless manner. Specifically, Respondent incorrectly identified the subject's zoning; Respondent did not report the prior sale of a 3.466-acre portion of the subject property that was previously sold; and Respondent based his opinion of value on an unconfirmed and unanalyzed property that was an active listing which was not under contract. In addition, Respondent failed to adequately identify, analyze, or adjust for key property characteristics. Respondent made inadequate adjustments, inappropriate adjustments, and no adjustments, when adjustments were warranted.

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

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