

**§ 93E-2-2. Definitions.**

(a) The following definitions apply in this Article:

- (1) Appraisal management company. – A corporation, partnership, sole proprietorship, subsidiary, unit, or other business entity that utilizes an appraisal panel or fee panel and performs, directly or indirectly, appraisal management services.

An appraisal management company does not include any of the following:

- a. Any agency of the federal government or any State or municipal government.
  - b. An appraiser who enters into an agreement, whether written or otherwise, with another appraiser for the performance of an appraisal, and upon completion of the appraisal, the appraisal report is signed both by the appraiser who completed the appraisal and the appraiser who requested the completion of the appraisal, except that an appraisal management company may not avoid the requirements of this Article by requiring that an employee of the appraisal management company who is an appraiser sign an appraisal report that is completed by an appraiser who is a member of the appraisal panel of the appraisal management company.
  - c. Any state or federally chartered bank, farm credit system, savings institution, or credit union.
  - d. Any licensed real estate broker performing only activities in accordance with Article 1 of this Chapter.
  - e. Any officer or employee of an exempt entity described in this subdivision when acting in the scope of employment for the exempt entity.
  - f. Any person licensed to practice law in this State, a court-appointed personal representative or trustee who orders an appraisal in connection with a bona fide client relationship in which the person directly contracts with an independent appraiser.
- (2) Appraisal management services. – Direct or indirect performance of any of the following functions on behalf of a lender, financial institution, client, or any other person:
- a. Administer an appraiser panel.
  - b. Recruit, qualify, and/or verify licensing or certification of appraisers who are or may become part of an appraiser panel.
  - c. Negotiate fees and service level expectations with appraisers who are part of an appraiser panel.
  - d. Receive an order for an appraisal from one person and deliver the order for the appraisal to an appraiser that is part of an appraiser panel for completion.
  - e. Take and determine the status of orders for appraisals.
  - f. Conduct quality control of a completed appraisal performed by an appraiser who is part of an appraiser panel prior to the delivery of the appraisal to the person that ordered the appraisal.
  - g. Provide a completed appraisal performed by an appraiser who is part of an appraiser panel to one or more persons who have ordered an appraisal.

- (3) Appraisal review. – The act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal assignment, except that an examination of an appraisal for grammatical, typographical, or other similar errors shall not be an appraisal review.
  - (4) Appraiser panel or fee panel. – A network of licensed or certified appraisers who are independent contractors to the appraisal management company that have:
    - a. Responded to an invitation, request, or solicitation from an appraisal management company, in any form, to perform appraisals for persons that have ordered appraisals through the appraisal management company or to perform appraisals for the appraisal management company directly, on a periodic basis, as requested and assigned by the appraisal management company; and
    - b. Been selected and approved by an appraisal management company to perform appraisals for any client or the appraisal management company that has ordered an appraisal through the appraisal management company or to perform appraisals for the appraisal management company directly, on a periodic basis, as assigned by the appraisal management company.
  - (5) Board. – The North Carolina Appraisal Board under Article 1 of this Chapter.
  - (6) Employee. – An individual who has an employment relationship acknowledged by both the individual and the company and is treated as an employee for purposes of compliance with federal income tax laws.
  - (7) Registrant. – A real estate appraisal management company registered pursuant to this Article.
- (b) The definitions contained in G.S. 93E-1-4 also apply in this Article. (2010-141, s. 1.)