

APPRAISAL CONNECTION



You are now receiving our Appraisal Connection newsletter, bringing you the latest updates and insights from the appraisal sector of the real estate industry. The Appraisal Committee is committed to keeping all NC REALTORS® informed about appraisal trends to enrich your industry knowledge and enhance client service. As always, you can [update your email preferences](#) at any time to customize the types of news and updates you receive from us.

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CHAIRMAN'S CORNER



Greetings!

I'd like to begin by thanking the 2024 Appraisal Committee for your ongoing commitment. Our Appraisal Committee meeting in June at the NCR Legislative Meetings in Raleigh was well attended. Guests are always welcomed and encouraged to attend! For those who were unable to attend, here's a quick update. In March, we shared a Property Data

Collector enactment by the legislature of the State of Mississippi and NCR's Legal Q&A from February 2023 on Data Collectors and Real Estate Appraisal Companies. A request was made for NCR staff to investigate and develop regulatory or legislative solutions for the qualifications, oversight and enforcement of property data collections based on the recommendations of the Appraisal Committee. The PAREA work group chaired by Vic Knight continues to discuss possible solutions to this alternative path to becoming a Real Estate Appraiser.

As this newsletter is now distributed to Appraisers and Broker/Agent members, I decided to include some issues appraisers face when utilizing data from the MLS for real property appraisals. After discussions with local appraisers, the following areas seem to be the most common issues with regard to MLS data.

Photos and Updates/Remodeling

Appraisers need as much info as possible to accurately judge the condition, quality, and features of comparable sales. Photos of kitchens, baths, and other rooms are used to compare to the subject property and adjustment properly. Rear photos show important features such as patios and decks.

Square Footage/Basements

Square footage is a major factor in an appraisal. If an agent provides the square footage in a listing, the NC Real Estate Commission requires that the measurement be accurate. Tax cards are historically inaccurate and often miss areas that have been finished or were never finished. This can lead to confusion and inaccurate appraisals based on faulty information. Fannie Mae guidelines require the appraiser to separate above- and below-grade improvements. Agents should include all finished, heated/cooled areas and room counts in their closed listings. A simple statement such as "The home features a 1,238 sq ft

finished basement that includes a den with fireplace, bedroom, ½ bath and laundry room” will allow the appraiser to separate the above and below improvements including room count.

Room Count

Total room count should not include baths, small laundry rooms, and walk-in closets. A home featuring a living room, dining room, kitchen, 3 bedrooms and 2 baths should be listed as 6/3/2.

We thank you for your continuing cooperation. As REALTORS®, we’re all in this together.

Our next meeting will be at the NC REALTORS® Convention & Expo in Wilmington, NC on Sunday, October 20 from 3:45pm-4:45pm. [Register Now!](#) Hope to see you there!

Jason Kellum
2024 Chair, NC REALTORS® Appraisal Committee

[VISIT OUR WEBPAGE](#)

THE HUB: REAL PROPERTY VALUATION COMMITTEE

Bookmark the Real Property Valuation Committee on NAR’s HUB to keep up-to-date on valuation related issues.

[Latest Discussion Posts](#) (login required)

PRIMARY FIELD OF BUSINESS

Showcase your expertise by updating your online member profile.

By keeping your member profile current, you can extend your reach through our "Find an NC REALTOR®" directory, connecting with potential clients and fellow members seeking appraisal expertise. It will also allow you to receive exclusive appraisal real estate news and updates. Stay informed and boost your visibility by [updating your profile now!](#)

- [Start Here.](#)
- Click the **"Update Your Profile"** button (in the block under your name).
- Then select **"Personal Info and Photo"** from the left-hand column menu.
- Choose your Primary (and Secondary) Fields of Business from the dropdowns and click **"Save."**

APPRAISALS, DATA AND THE PROPOSED NAR SETTLEMENT

With practice changes coming that include the prohibition of offers of compensation on MLSs, it's imperative that brokers, agents and appraisers keep an open line of communication. Data is the main ingredient in the appraisal process.

[Read the Full Article](#)

APPRAISER DIVERSITY INITIATIVE

The Appraisal Institute, together with Fannie Mae, Freddie Mac and the National Urban League, is helping lead the Appraiser Diversity Initiative to engage talented candidates, educate them about the profession, and outline a path for success.

[Learn More About the Diversity Initiative](#)

FUTURE EVENTS

North Carolina Appraisal Board Meetings

August 6 (Virtual)

September 17 (Live)
October 24 (Virtual)
December 10 (Live)

Note: Meetings begin at 9:00 am at the Board's office and will continue to the following day if needed.

<https://www.ncappraisalboard.org>

NC Chapter of the Appraisal Institute Real Estate Valuation Conference
September 24 & 26, 2024 | Virtual

This year's conference will feature two different tracks (residential & commercial) to fully capture the entire appraisal industry scope.

[Register Now-Residential](#)

[Register Now-Commercial](#)

NC REALTORS® Convention & Expo

October 19-22, 2024
Wilmington, NC

Our largest and most popular event of the year aims to inspire, motivate and educate REALTORS® from across North Carolina.

[Register Now!](#)

[Schedule of Events](#)

*The Appraisal Committee meeting will be held on Sunday, October 20 from 3:45pm-4:45pm.

NAR NXT | The REALTOR® Experience

November 8-10, 2024
Boston, MA

NAR governance meetings will be held November 6-11.

Exchange ideas and experiment with cutting-edge innovation at the industry's largest real estate expo. Activate your A game, amp up your ambition and accelerate your success. Go big at NAR NXT—for yourself, your brokerage and your clients—and Bring on Business.

[Register Now!](#)

[Schedule of Events](#)

We would like to hear from you!

Let us know what topics you would like for us to highlight or how the REALTORS® Appraisal Committee can help you. Contact committee staff liaison [Denise Daly](#).

HELPFUL LINKS

[NC REALTORS®](#)

[NC Appraisal Board](#)

[NC Appraisal Institute](#)

[The Appraisal Foundation](#)

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4511 Weybridge Lane, Greensboro, NC 27407

336.294.1415 | hello@ncrealtors.org | ncrealtors.org

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