

21 NCAC 57A .0407 SUPERVISION OF TRAINEES

(a) A certified real estate appraiser may engage a registered trainee to assist in the performance of real estate appraisals. In the alternative, applicants for licensure or certification may complete the requirements of a Practical Applications of Real Estate Appraisal (PAREA) program or Practicum course as established in the Real Property Appraiser Qualification Criteria and approved by The Appraisal Foundation's Appraiser Qualifications Board, shall submit a certificate of completion, and shall meet any additional requirements set forth in Rule .0601 of this Subchapter. Individuals choosing PAREA or Practicum are not required to register as a trainee.

(b) If a certified real estate appraiser engages a registered trainee to assist in the performance of real estate appraisals, the appraiser shall:

- (1) have been certified for at least three years;
- (2) have no more than three trainees working under his or her supervision at any one time;
- (3) prior to the date any trainee begins performing appraisals under his or her supervision, the supervisor shall inform the Board of the name of the trainee by filing a Supervisor Declaration Form with the Board. The form may be found on the Board's website at www.ncappraisalboard.org. The supervisor shall also inform the Board when a trainee is no longer working under his or her supervision by submitting a new Supervisor Declaration Form. The form shall include the following information:
 - (A) the name and registration number of trainee;
 - (B) the name and certification number of supervisor;
 - (C) the date the trainee completed the supervisor/trainee course;
 - (D) the date the supervisor completed the supervisor/trainee course;
 - (E) whether the supervisor has had any disciplinary action within the past three years or pending complaints against his or her certification in any state; and
 - (F) the signature of both the supervisor and trainee (only required for association).
- (4) actively and personally supervise the trainee on all appraisal reports and appraisal related activities until the trainee is no longer under his or her supervision;
- (5) review all appraisal reports and supporting data used in connection with appraisals in which the services of a trainee is utilized, and assures that research of general and specific data has been conducted and reported, application of appraisal principles and methodologies has been applied, and that any analysis, opinions, or conclusions are developed and reported so that the appraisal report is not misleading;
- (6) comply with all provisions of Rule .0405 of this Section regarding appraisal reports;
- (7) review and sign the trainee's log of appraisals prepared in accordance with Paragraph (d) of this Rule. The supervisor shall make available to the trainee a copy of every appraisal report where the trainee documents appraisal experience on their experience log and the trainee's contribution is noted in the appraisal report, or the trainee signs the appraisal report; and
- (8) not have 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" means an active suspension, a downgrade of a credential, a revocation, or any other action that restricts a supervisor's ability to engage in appraisal practice.

(c) "Active and personal supervision" includes direction, guidance, and support from the supervisor. The supervising appraiser shall have input into and knowledge of the appraisal report prior to its completion, and shall make any changes to the report before it is transmitted to the client. In addition, the supervisor shall accompany the trainee on the inspections of the subject property on the first 25 appraisal assignments or the first 750 hours of experience, whichever comes first for which the trainee either signs the appraisal report or is noted as providing significant appraisal assistance in the report, in compliance with Standard Rule 2(a) and Standard Rule 2(b) of the Uniform Standards of Professional Appraisal Practice. After that point, the trainee may perform the inspections without the presence of the supervisor provided that the supervisor is satisfied that the trainee is competent to perform those inspections.

(d) An appraisal experience log shall be maintained jointly by the supervisor and the trainee. Both the supervisor and the trainee are responsible for maintaining the experience log and ensuring that it is accurate, current, and includes the following:

- (1) the trainee's name and signature;
- (2) the supervisor's name and signature;
- (3) the supervisor's certificate number;
- (4) the date the supervisor signed the log;

- (5) the subject property address;
- (6) the date the appraisal report was signed;
- (7) the report type, such as an appraisal report, a restricted appraisal report, or the type of reporting form used;
- (8) the client's name;
- (9) the trainee's file number for the appraisal assignment, if any;
- (10) the number of verifiable work hours by the trainee on the assignment;
- (11) whether the supervisory appraiser accompanied the trainee on the inspection of the subject property; and
- (12) a description of the work performed by the trainee and the level of review and supervision of his or her supervisor on each assignment.

The log shall be updated at least every 30 days. A separate log shall be maintained for each supervising appraiser. A log form is available on the Board's website at www.ncappraisalboard.org.

(e) An appraiser shall complete the supervisor trainee course developed by the North Carolina Appraisal Board, within the past 10 years, prior to supervising a trainee. This course shall be taught only by instructors approved by the Board in accordance with 21 NCAC 57B .0614.

(f) Trainees shall ensure that the Appraisal Board has received the Supervisor Declaration Form on or before the day the trainee begins assisting the supervising appraiser by contacting the Board by telephone or email at ncab@ncab.org. The form may be found on the Board's website at www.ncappraisalboard.org. Trainees shall not receive appraisal experience credit for appraisals performed in violation of this Paragraph.

(g) Supervising appraisers shall not be employed by a trainee or by a company, firm, or partnership in which the trainee has a controlling interest.

(h) Only one trainee may receive credit for providing real property appraisal assistance on an appraisal report.

History Note: Authority G.S. 93E-1-6.1; 93E-1-10; 93E-1-12;

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