

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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SENATE BILL 379

Short Title: R.E. Agents Reliance on Third-Party Reports.

(Public)

Sponsors: Senator Clodfelter.

Referred to: Commerce.

March 8, 2001

A BILL TO BE ENTITLED

AN ACT ALLOWING A PERSON LICENSED AS A REAL ESTATE BROKER OR SALESPERSON TO RELY ON INFORMATION RELATING TO THE PHYSICAL CONDITION OF REAL PROPERTY CONTAINED IN A WRITTEN REPORT PREPARED BY A QUALIFIED THIRD PARTY.

The General Assembly of North Carolina enacts:

SECTION 1. Article 1 of Chapter 93A of the General Statutes is amended by adding a new section to read:

"§ 93A-12. Reliance on information provided by third party.

(a) A licensee may rely on information relating to the physical condition of real property, including square footage measurements, contained in a written report prepared by a qualified third party engaged by the licensee acting on behalf of a party or prospective party to a real estate transaction. For purposes of square footage measurements, a qualified third party shall include a State-licensed or State-certified appraiser, a State-licensed engineer or architect, or a State-licensed real estate broker or salesperson.

(b) A licensee shall not be liable to a party or prospective party to a real estate transaction for providing false information to that party, if the false information was provided by a qualified third party or by another party or prospective party to the real estate transaction and the licensee did not have actual knowledge that the information was false or act in reckless disregard of the truth of the information.

(c) A licensee shall not be subject to disciplinary action by the Commission for providing false information to a party or prospective party to a real estate transaction, if the false information was provided by a qualified third party or by another party or prospective party to the real estate transaction and the licensee did not have actual knowledge that the information was false or act in reckless disregard of the truth of the information.

1 (d) A party to a real estate transaction who reasonably relies on a written report
2 prepared by a qualified third party, who is engaged by a licensee acting on behalf of a
3 the party seeking to bring an action, may institute an action directly against the third
4 party for damages caused by inaccuracies contained in the written report. The lack of
5 privity of contract between the party bringing the action and the third party shall not
6 constitute grounds for dismissal of the action."

7 **SECTION 2.** This act is effective when it becomes law.