



TEMPORARY RULE-MAKING FINDINGS OF NEED

[Authority G.S. 150B-21.1]

OAH USE ONLY

VOLUME:

ISSUE:

1. Rule-Making Agency:

NORTH CAROLINA REAL ESTATE COMMISSION

2. Rule citation & name:

21 NCAC 58A .0119 MINERAL AND OIL AND GAS RIGHTS MANDATORY DISCLOSURE STATEMENT

3. Action:

☒ Adoption

☐ Amendment

☐ Repeal

4. Was this an Emergency Rule:

☐ Yes

☒ No

Effective date:

5. Provide dates for the following actions as applicable:

a. Proposed Temporary Rule submitted to OAH: October 17, 2014

b. Proposed Temporary Rule published on the OAH website: October 23, 2014

c. Public Hearing date: November 12, 2014

d. Comment Period: October 17, 2014 - November 24, 2014

e. Notice pursuant to G.S. 150B-21.1(a3)(2): October 17, 2014

f. Adoption by agency on: December 10, 2014

g. Proposed effective date of temporary rule [if other than effective date established by G.S. 150B- 21.1(b) and G.S. 150B-21.3]: January 1, 2015

h. Rule approved by RRC as a permanent rule [See G.S. 150B-21.3(b2)]:

6. Reason for Temporary Action. Attach a copy of any cited law, regulation, or document necessary for the review.

- ☐ A serious and unforeseen threat to the public health, safety or welfare.
- ☒ The effective date of a recent act of the General Assembly or of the U.S. Congress.
Cite: S.L. 2014-120, Section 49(a)
Effective date: January 1, 2015
- ☐ A recent change in federal or state budgetary policy.
Effective date of change:
- ☐ A recent federal regulation.
Cite:
Effective date:
- ☐ A recent court order.
Cite order:
- ☐ State Medical Facilities Plan.
- ☐ Other:

Explain:

Section 49(a) of S.L. 2014-120, which was enacted September 18, 2014, adds G.S. 47E-4.1 to the Residential Property Disclosure Act mandating the use of a mineral and oil and gas rights disclosure statement in all real estate transactions governed by G.S. 47E-1 and 47E-2(b) effective January 1, 2015. G.S. 47E-4.1 further requires the Real Estate Commission ("Commission") to develop and require the use of the mineral, gas and oil rights disclosure statement described in G.S. 47E-4.1.

7. Why is adherence to notice and hearing requirements contrary to the public interest and the immediate adoption of the rule is required?

The Commission will not be able to adopt a rule governing the creation and use of the mandatory disclosure statement under permanent rulemaking procedures in time to meet the January 1, 2015 effective date. The Commission is therefore filing the proposed rule under temporary rulemaking procedures in the public interest so that it can be reviewed, approved and entered into the Code by the effective date.

8. Rule establishes or increases a fee? (See G.S. 12-3.1)

☐ Yes

Agency submitted request for consultation on:

Consultation not required. Cite authority:

☒ No

9. Rule-making Coordinator:

Curtis E. Aldendifer, Associate Legal Counsel

Phone:

919-875-3700 Ext. 133

E-Mail:

curtis@ncrec.gov

Agency contact, if any:

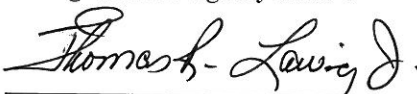
Melissa A. Vuotto, NC Certified Paralegal

Phone:

919-875-3700 Ext. 142

E-Mail: melissa@ncrec.gov

10. Signature of Agency Head*:



* If this function has been delegated (reassigned) pursuant to G.S. 143B-10(a), submit a copy of the delegation with this form.

Typed Name:

Thomas R. Lawing, Jr.

Title:

Chairman of the North Carolina Real Estate Commission

E-Mail: tlawing@trlawing.com

RULES REVIEW COMMISSION USE ONLY

Action taken:

Submitted for RRC Review:

☐ Date returned to agency:

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**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013**

Session Law cited for
temporary rulemaking
authority

**SESSION LAW 2014-120
SENATE BILL 734**

AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA BY PROVIDING FOR VARIOUS ADMINISTRATIVE REFORMS, BY ELIMINATING CERTAIN UNNECESSARY OR OUTDATED STATUTES AND REGULATIONS AND MODERNIZING OR SIMPLIFYING CUMBERSOME OR OUTDATED REGULATIONS, AND BY MAKING VARIOUS OTHER STATUTORY CHANGES.

The General Assembly of North Carolina enacts:

ELIMINATE, AS OBSOLETE, THE SMALL BUSINESS CONTRACTOR AUTHORITY, THE COMMITTEE ON DROPOUT PREVENTION, THE STATE EDUCATION COMMITTEE, THE STATE EDUCATION COMMISSION, THE NATIONAL HERITAGE AREA DESIGNATION COMMISSION, THE GOVERNOR'S MANAGEMENT COUNCIL, THE BOARD OF DIRECTORS OF THE NORTH CAROLINA CENTER FOR NURSING, AND THE BOARD OF CORRECTIONS

SECTION 1.(a) Part 20 of Article 10 of Chapter 143B of the General Statutes is repealed.

SECTION 1.(b) Article 6B of Chapter 115C of the General Statutes is repealed.

SECTION 1.(c) G.S. 116C-1 reads as rewritten:

"§ 116C-1. Education Cabinet created.

(a) The Education Cabinet is created. The Education Cabinet shall be located administratively within, and shall exercise its powers within existing resources of, the Office of the Governor. However, the Education Cabinet shall exercise its statutory powers independently of the Office of the Governor.

(b) The Education Cabinet shall consist of the Governor, who shall serve as chair, the President of The University of North Carolina, the State Superintendent of Public Instruction, the Chairman of the State Board of Education, the President of the North Carolina Community Colleges System, the Secretary of Health and Human Services, and the President of the North Carolina Independent Colleges and Universities. The Education Cabinet may invite other representatives of education to participate in its deliberations as adjunct members.

(c) The Education Cabinet shall be a nonvoting body that:

(1) Works to resolve issues between existing providers of education.

(2) ~~Sets the agenda for the State Education Commission.~~

(3) Develops a strategic design for a continuum of education programs, in accordance with G.S. 116C-3.

(4) Studies other issues referred to it by the Governor or the General Assembly.

(d) The Office of the Governor, in coordination with the staffs of The University of North Carolina, the North Carolina Community College System, and the Department of Public Instruction, shall provide staff to the Education Cabinet."

SECTION 1.(d) G.S. 116C-2 is repealed.

SECTION 1.(e) Article 26 of Chapter 143 of the General Statutes is repealed.

SECTION 1.(f) Section 18.10 of S.L. 2001-491 reads as rewritten:

"SECTION 18.10. Notwithstanding G.S. 158-8.1, the Western North Carolina Regional Economic Development Commission shall develop a regional heritage tourism plan and shall present the plan to the 2002 Regular Session of the 2001 General Assembly no later than May 1, 2002. The National Heritage Area Designation Commission created pursuant to Section 18.4 of this act shall terminate August 1, 2014."



SECTION 46.(a) Notwithstanding the requirements of Article 21 of Chapter 143 of the General Statutes and rules adopted pursuant to that Article, the addition of a cluster box unit to a single-family or duplex development permitted by a local government shall not require a modification to any stormwater permit for that development. This section shall only apply to single-family or duplex developments in which individual curbside mailboxes are replaced with cluster box units whereupon the associated built-upon area supporting the cluster box units shall be considered incidental and shall not be required in the calculation of built-upon area for the development for stormwater permitting purposes.

SECTION 46.(b) This section is effective when this act becomes law and expires on December 31, 2015, or when regulations on cluster box design and placement by the United States Postal Service become effective and those regulations are adopted by local governments, whichever is earlier.

MODIFICATION OF APPROVED WASTEWATER SYSTEMS

SECTION 47.(a) The definitions set out in G.S. 130A-343 shall apply to this section.

SECTION 47.(b) 15A NCAC 18A .1969(j) (Modification of Approved Systems). – Until the effective date of the revised permanent rule that the Commission is required to adopt pursuant to Section 47(d) of this act, the Commission and the Department shall implement 15A NCAC 18A .1969(j) (Modification of Approved Systems) as provided in Section 47(c) of this act.

SECTION 47.(c) Implementation. – Notwithstanding 15A NCAC 18A .1969(j) (Modification of Approved Systems), the rule shall be implemented so as to not require a survey or audit of installed modified accepted systems in order to confirm the satisfactory performance of such systems.

SECTION 47.(d) Additional Rule-Making Authority. – The Commission for Public Health shall adopt a rule to amend 15A NCAC 18A .1969(j) (Modification of Approved Systems) consistent with Section 47(c) of this act. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of Section 47(c) of this act. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided by G.S. 150B-21.3(b2).

SECTION 47.(e) Sunset. – Section 47(c) of this act expires on the date that the rule adopted pursuant to Section 47(d) of this act becomes effective.

CAPSTONE PERMITTING

SECTION 48. G.S. 150B-23 is amended by adding a new subsection to read:

"§ 150B-23. Commencement; assignment of administrative law judge; hearing required; notice; intervention.

...
(g) Where multiple licenses are required from an agency for a single activity, the Secretary or chief administrative officer of the agency may issue a written determination that the administrative decision reviewable under Article 3 of this Chapter occurs on the date the last license for the activity is issued, denied, or otherwise disposed of. The written determination of the administrative decision is not reviewable under this Article. Any licenses issued for the activity prior to the date of the last license identified in the written determination are not reviewable under this Article until the last license for the activity is issued, denied, or otherwise disposed of. A contested case challenging the last license decision for the activity may include challenges to agency decisions on any of the previous licenses required for the activity."

CHANGES TO THE RESIDENTIAL PROPERTY DISCLOSURE ACT

SECTION 49.(a) Chapter 47E of the General Statutes reads as rewritten:

"Chapter 47E.

"Residential Property Disclosure Act.

...
"§ 47E-2. Exemptions.

The following transfers are exempt from the provisions of this Chapter:

- (1) Transfers pursuant to court order, including transfers ordered by a court in administration of an estate, transfers pursuant to a writ of execution, transfers by foreclosure sale, transfers by a trustee in bankruptcy, transfers by eminent domain, and transfers resulting from a decree for specific performance.
- (2) Transfers to a beneficiary from the grantor or his successor in interest in a deed of trust, or to a mortgagee from the mortgagor or his successor in interest in a mortgage, if the indebtedness is in default; transfers by a trustee under a deed of trust or a mortgagee under a mortgage, if the indebtedness is in default; transfers by a trustee under a deed of trust or a mortgagee under a mortgage pursuant to a foreclosure sale, or transfers by a beneficiary under a deed of trust, who has acquired the real property at a sale conducted pursuant to a foreclosure sale under a deed of trust.
- (3) Transfers by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust.
- (4) Transfers from one or more co-owners solely to one or more other co-owners.
- (5) Transfers made solely to a spouse or a person or persons in the lineal line of consanguinity of one or more transferors.
- (6) Transfers between spouses resulting from a decree of divorce or a distribution pursuant to Chapter 50 of the General Statutes or comparable provision of another state.
- (7) Transfers made by virtue of the record owner's failure to pay any federal, State, or local taxes.
- (8) Transfers to or from the State or any political subdivision of the State.

(b) The following transfers are exempt from the provisions of G.S. 47E-4 but not from the requirements of G.S. 47E-4.1:

- ~~(9)~~(1) Transfers involving the first sale of a dwelling never inhabited.
- ~~(10)~~(2) Lease with option to purchase contracts where the lessee occupies or intends to occupy the dwelling.
- ~~(11)~~(3) Transfers between parties when both parties agree not to complete a residential property disclosure statement or an owners' association and mandatory covenants disclosure statement.

...
"§ 47E-4. Required disclosures.

~~(b2) With regard to transfers described in G.S. 47E-1, the owner of the real property shall include in any real estate contract, an oil and gas rights mandatory disclosure as provided in this subsection:~~

- ~~(1) Transfers of residential property set forth in G.S. 47E-2 are excluded from this requirement, except that the exemptions provided under subdivisions (9) and (11) of G.S. 47E-2 specifically are not excluded from this requirement.~~
- ~~(2) The disclosure shall be conspicuous, shall be in boldface type, and shall be as follows:~~

~~**OIL AND GAS RIGHTS DISCLOSURE**~~

~~Oil and gas rights can be severed from the title to real property by conveyance (deed) of the oil and gas rights from the owner or by reservation of the oil and gas rights by the owner. If oil and gas rights are or will be severed from the property, the owner of those rights may have the perpetual right to drill, mine, explore, and remove any of the subsurface oil or gas resources on or from the property either directly from the surface of the property or from a nearby location. With regard to the severance of oil and gas rights, Seller makes the following disclosures:~~

		Yes	No	No Representation
<u> </u> Buyer Initials	1. Oil and gas rights were severed from the property by a previous owner.	<u> </u>	<u> </u>	<u> </u>
<u> </u> Buyer Initials	2. Seller has severed the oil and gas rights from the property.	<u> </u>	<u> </u>	

		Yes	No
<u> </u>	3. Seller intends to sever the oil and	<u> </u>	<u> </u>
<u>Buyer Initials</u>	gas rights from the property prior to		
	transfer of title to Buyer.		

(c) The rights of the parties to a real estate contract as to conditions of the property of which the owner had no actual knowledge are not affected by this Article unless the residential disclosure statement or the owners' association and mandatory covenants disclosure statement, as applicable, states that the owner makes no representations as to those conditions. If the statement states that an owner makes no representations as to the conditions of the property, then the owner has no duty to disclose those conditions, whether or not the owner should have known of them.

"§ 47E-4.1. Required mineral and oil and gas rights disclosures.

(a) With regard to transfers described in G.S. 47E-1 and G.S. 47E-2(b), the owner of the real property shall furnish to a purchaser a mineral and oil and gas rights mandatory disclosure statement. The disclosure shall be conspicuous, shall be in boldface type, and shall be as follows:

MINERAL AND OIL AND GAS RIGHTS DISCLOSURE

Mineral rights and/or oil and gas rights can be severed from the title to real property by conveyance (deed) of the mineral rights and/or oil and gas rights from the owner or by reservation of the mineral rights and/or oil and gas rights by the owner. If mineral rights and/or oil and gas rights are or will be severed from the property, the owner of those rights may have the perpetual right to drill, mine, explore, and remove any of the subsurface mineral and/or oil or gas resources on or from the property either directly from the surface of the property or from a nearby location. With regard to the severance of mineral rights and/or oil and gas rights, Seller makes the following disclosures:

		Yes	No	No Representation
<u> </u>	1. <u>Mineral rights were severed from</u>	<u> </u>	<u> </u>	<u> </u>
<u>Buyer Initials</u>	<u>the property by a previous owner.</u>			
		Yes	No	
<u> </u>	2. <u>Seller has severed the mineral</u>	<u> </u>	<u> </u>	
<u>Buyer Initials</u>	<u>rights from the property.</u>			
		Yes	No	
<u> </u>	3. <u>Seller intends to sever the mineral</u>	<u> </u>	<u> </u>	
<u>Buyer Initials</u>	<u>rights from the property prior to</u>			
	<u>transfer of title to Buyer.</u>			
		Yes	No	No Representation
<u> </u>	4. <u>Oil and gas rights were severed from</u>	<u> </u>	<u> </u>	<u> </u>
<u>Buyer Initials</u>	<u>the property by a previous owner.</u>			
		Yes	No	
<u> </u>	5. <u>Seller has severed the oil and gas</u>	<u> </u>	<u> </u>	
<u>Buyer Initials</u>	<u>rights from the property.</u>			
		Yes	No	
<u> </u>	6. <u>Seller intends to sever the oil and</u>	<u> </u>	<u> </u>	
<u>Buyer Initials</u>	<u>gas rights from the property prior to</u>			
	<u>transfer of title to Buyer.</u>			

(b) The North Carolina Real Estate Commission shall develop and require the use of a mineral and oil and gas rights mandatory disclosure statement to comply with the requirements of this section. The disclosure statement shall specify that the transfers identified in G.S. 47E-2(a) are exempt from this requirement but the transfers identified in G.S. 47E-2(b) are not. The disclosure statement shall provide the owner with the option to indicate whether the owner has actual knowledge of the specified characteristics or conditions. The owner may make no representations only as to a previous severance of mineral rights and previous severance of oil and gas rights.

(c) The rights of the parties to a real estate contract as to the severance of minerals or the severance of oil and gas rights by the previous owner of the property and of which the owner had no actual knowledge are not affected by this Article unless the mineral and oil and

gas rights mandatory disclosure statement states that the owner makes no representations as to the severance of mineral rights or the severance of oil and gas rights by the previous owner of the property. If the statement states that an owner makes no representations as to the severance of mineral rights or the severance of oil and gas rights by the previous owner of the property, then the owner has no duty to disclose the severance of mineral rights or the severance of oil and gas rights, as applicable, by a previous owner of the property, whether or not the owner should have known of any such severance.

"§ 47E-5. Time for disclosure; cancellation of contract.

(a) The owner of real property subject to this Chapter shall deliver to the purchaser the disclosure statements required by this Chapter no later than the time the purchaser makes an offer to purchase, exchange, or option the property, or exercises the option to purchase the property pursuant to a lease with an option to purchase. The residential property disclosure ~~statement~~ statement, the mineral and oil and gas rights mandatory disclosure statement, or the owners' association and mandatory covenants disclosure statement may be included in the real estate contract, in an addendum, or in a separate document.

"§ 47E-6. Owner liability for disclosure of information provided by others.

~~The~~ With the exception of the disclosures required by G.S. 47E-4.1, the owner may discharge the duty to disclose imposed by this Chapter by providing a written report attached to the residential property disclosure statement and the owners' association and mandatory covenants disclosure statement by a public agency or by an attorney, engineer, land surveyor, geologist, pest control operator, contractor, home inspector or other expert, dealing with matters within the scope of the public agency's functions or the expert's license or expertise. The owner shall not be liable for any error, inaccuracy, or omission of any information delivered pursuant to this section if the error, inaccuracy, or omission was made in reasonable reliance upon the information provided by the public agency or expert and the owner was not grossly negligent in obtaining the information or transmitting it.

"§ 47E-7. Change in circumstances.

If, subsequent to the owner's delivery of a residential property disclosure ~~statement and statement, the mineral and oil and gas rights mandatory disclosure statement, or the owners' association and mandatory covenants disclosure statement~~ to a purchaser, the owner discovers a material inaccuracy in a disclosure statement, or a disclosure statement is rendered inaccurate in a material way by the occurrence of some event or circumstance, the owner shall promptly correct the inaccuracy by delivering a corrected disclosure statement or statements to the purchaser. Failure to deliver a corrected disclosure statement or to make the repairs made necessary by the event or circumstance shall result in such remedies for the buyer as are provided for by law in the event the sale agreement requires the property to be in substantially the same condition at closing as on the date of the offer to purchase, reasonable wear and tear excepted.

"§ 47E-8. Agent's duty.

A real estate broker ~~or salesman~~ acting as an agent in a residential real estate transaction has the duty to inform each of the clients of the real estate broker ~~or salesman~~ of the client's rights and obligations under this Chapter. Provided the owner's real estate broker ~~or salesman~~ has performed this duty, the broker or salesman shall not be responsible for the owner's willful refusal to provide a prospective purchaser with a residential property disclosure ~~statement statement, the mineral and oil and gas rights mandatory disclosure statement, or an owners' association and mandatory covenants disclosure statement~~. Nothing in this Chapter shall be construed to conflict with, or alter, the ~~broker or salesman's~~ broker's duties under Chapter 93A of the General Statutes.

...."

SECTION 49.(b) This section becomes effective January 1, 2015, and applies to contracts executed on or after that date.

REPORTS ON MINIMUM DESIGN CRITERIA

SECTION 50. Section 1 of S.L. 2013-82 reads as rewritten:

"SECTION 1. The Department of Environment and Natural Resources shall develop Minimum Design Criteria for permits issued by the stormwater runoff permitting programs authorized by G.S. 143-214.7. The Minimum Design Criteria shall include all requirements for siting, site preparation, design and construction, and post-construction monitoring and

FORESTRY FEES CORRECTION

SECTION 58. G.S. 106-1004, as enacted by S.L. 2014-100, reads as rewritten:

"§ 106-1004. Fees for forest management plans.

The Board of Agriculture shall establish by rule a schedule of fees for the preparation of forest management plans developed pursuant to ~~Article 83~~ of this Chapter. The fees established by the Board shall not exceed the amount necessary to offset the costs of the Department of Agriculture and Consumer Services to prepare forest management plans."

RECOURSE WHEN AGENCY FAILS TO ACT

SECTION 59.(a) G.S. 150B-23 is amended by adding a new subsection to read:

"(a4) If an agency fails to take any required action within the time period specified by law, any person whose rights are substantially prejudiced by the agency's failure to act may commence a contested case in accordance with this section seeking an order that the agency act as required by law. If the administrative law judge finds that the agency has failed to act as required by law, the administrative law judge may order that the agency take the required action within a specified time period."

SECTION 59.(b) G.S. 150B-44 reads as rewritten:

"§ 150B-44. Right to judicial intervention when final decision unreasonably delayed.

~~Unreasonable delay on the part of any agency or administrative law judge in taking any required action shall be justification for any person whose rights, duties, or privileges are adversely affected by such delay to seek a court order compelling action by the agency or administrative law judge. Failure of an administrative law judge subject to Article 3 of this Chapter or failure of an agency subject to Article 3A of this Chapter to make a final decision within 120 days of the close of the contested case hearing is justification for a person whose rights, duties, or privileges are adversely affected by the delay to seek a court order compelling action by the agency or by the administrative law judge. The Board of Trustees of the North Carolina State Health Plan for Teachers and State Employees is a "board" for purposes of this section."~~

SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 60. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part declared to be unconstitutional or invalid.

SECTION 61. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 15th day of August, 2014.

s/ Phil E. Berger
Presiding Officer of the Senate

s/ Thom Tillis
Speaker of the House of Representatives

s/ Pat McCrory
Governor

Approved 12:10 p.m. this 18th day of September, 2014

TEMPORARY RULES
REQUEST FOR TECHNICAL CHANGE

AGENCY: Real Estate Commission

RULE CITATION: 21 NCAC 58A .0119

DEADLINE FOR RECEIPT: Monday, December 15, 2014

The Rules Review Commission staff has completed its review of this rule prior to the Commission's next meeting. The Commission has not yet reviewed this rule and therefore there has not been a determination as to whether the rule will be approved. You may call this office to inquire concerning the staff recommendation.

In reviewing these rules, the staff determined that the following technical changes need to be made:

In the Introductory Statement, please say "is adopted"

In (a)(1), line 10, recommend replacing "in which" with "when"

Also in (a)(1), I assume this language is intended to address the mandate of G.S. 47E-4.1(b), which states:

(b) The North Carolina Real Estate Commission shall develop and require the use of a mineral and oil and gas rights mandatory disclosure statement to comply with the requirements of this section. The disclosure statement shall specify that the transfers identified in G.S. 47E-2(a) are exempt from this requirement but the transfers identified in G.S. 47E-2(b) are not. The disclosure statement shall provide the owner with the option to indicate whether the owner has actual knowledge of the specified characteristics or conditions. The owner may make no representations only as to a previous severance of mineral rights and previous severance of oil and gas rights.

Is this correct?

In (b), do people know how to contact the Commission if not through the website?

In (d), I know you are restating G.S. 47E-8. I take it your brokers are trained in all of those rights?

I do not think you need Paragraph (e) in this Rule, as it clear from the law that this takes effect for all contracts executed on January 1, 2015. Why do you think you need it?

Please end the History Note citations with a semicolon: "93A-6;"

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amanda J. Reeder
Commission Counsel
Date submitted to agency: December 12, 2014

21 NCAC 58A .0119 is proposed for adoption under temporary procedures as follows:

21 NCAC 58A .0119 MINERAL AND OIL AND GAS RIGHTS MANDATORY DISCLOSURE STATEMENT

(a) Every owner of real property subject to a transfer of the type governed by G.S. 47E-1 and 47E-2(b) shall complete a disclosure statement form prescribed by the Commission and designated “Mineral and Oil and Gas Rights Mandatory Disclosure Statement,” and shall furnish a copy of the completed form to a purchaser as required by G.S. 47E-4.1. The form shall bear the seal of the North Carolina Real Estate Commission and shall include the following:

- (1) instructions to property owners regarding transactions in which the disclosure statement is required;
- (2) the text and format of the disclosure statement form as required by G.S. 47E-4.1(a);
- (3) a note to purchasers regarding their rights under G.S. 47E-5 in the event they are not provided with a disclosure statement as required by G.S. 47E-4.1;
- (4) the identification of the subject property and the parties to the transaction;
- (5) an acknowledgment by the owner(s) that the disclosure statement is true and correct as of the date signed; and
- (6) an acknowledgment by the buyer(s) of the receipt of a copy of the disclosure statement.

(b) The disclosure statement form described in Paragraph (a) of this Rule shall be available on the Commission’s website at www.ncrec.gov or upon request to the Commission.

(c) The disclosure statement form described in Paragraph (a) of this Rule may be reproduced, but the text of the form shall not be altered or amended in any way.

(d) Every broker representing a party in a real estate transaction governed by G.S. 47E-1 and 47E-2(b) shall inform each client of the client’s rights and obligations under G.S. Chapter 47E.

(e) The disclosure statement form described in Paragraph (a) applies to all contracts executed on or after January 1, 2015.

*History Note: Authority G.S. 47E-4.1; 47E-4.1(b); 47E-5; 47E-8; 93A-3(c); 93A-6
Eff. January 1, 2015*