

§ 93A-88.2. Unfair real estate service agreements.

(a) Unfair Real Estate Service Agreements. – A real estate service agreement is unfair, void, and in violation of this Article if the agreement is to be in effect for more than one year and either expressly or implicitly aims to do any of the following:

- (1) Run with the land or bind future owners of residential real estate identified in the real estate service agreement.
- (2) Allow for assignment of the right to provide services without notice or consent of the owner or buyer.
- (3) Create a lien, encumbrance, or other real property security interest.

(b) No Right to Refund. – A service provider has no right to a refund of the consideration paid to the owner or buyer in connection with an unfair real estate service agreement.

(c) Exemptions. – This Article does not apply to the following types of agreements:

- (1) A home warranty or other type of similar product that covers the cost of maintenance of a major housing system, such as plumbing or electrical wiring, for a set period of time from the date a house is sold.
- (2) An insurance contract.
- (3) Any transactions governed by Chapter 47G (Option to Purchase Contracts Executed with Lease Agreements) or Chapter 47H (Contracts for Deed) of the General Statutes.
- (4) A declaration created pursuant to Chapter 47A (Unit Ownership), Chapter 47C (North Carolina Condominium Act), or Chapter 47F (North Carolina Planned Community Act) of the General Statutes.
- (5) A maintenance or repair agreement entered into by a homeowners' association in a common interest community.
- (6) A security agreement under the Uniform Commercial Code relating to the sale or rental of personal property or fixtures.
- (7) Provision of water, sewer, electrical, telephone, cable, natural gas, propane, fuel oil, or other regulated utility service.
- (8) A property management contract as defined in G.S. 105-164.3(189).
- (9) Any actions arising from Part 2 of Article 2 of Chapter 44A of the General Statutes regarding mechanics', laborers', and materialmen's liens, or Part 4 of Article 2 of Chapter 44A of the General Statutes regarding commercial real estate broker liens. (2023-117, s. 1.)