



HOUSE BILL 797: Residential Property Wholesaling Protection.

2025-2026 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	April 29, 2025
Introduced by:	Reps. Howard, Tyson, Biggs, K. Hall	Prepared by:	Karyl Smith
Analysis of:	First Edition		Staff Attorney

OVERVIEW: *House Bill 797 would make various changes to the North Carolina real estate license laws to clarify that residential property wholesaling and related transactions constitute real estate broker activity and to provide homeowners with a right to cancel those transactions.*

CURRENT LAW: Chapter 93A of the General Statutes is known as the Real Estate License Law. There are no statutes that address residential property wholesaling or related transactions.

BILL ANALYSIS:

Section 1 would do the following:

- Clarify that a real estate broker within the meaning of Chapter 93A includes any person, partnership, corporation, limited liability company, association, or other business entity who engages in residential property wholesaling or related transactions.
- Define various terms, including "residential property wholesaling or related transactions," which means any of the following:
 - Soliciting a homeowner to enter into a purchase contract for the sale of the homeowner's residential property, unless the residential property will be used as the residence of the soliciting party.
 - Marketing, assigning, or selling a purchase contract for residential property or the equitable interest in the residential property to another, for a fee or other valuable consideration.
 - Selling or offering to sell, buying or offering to buy, negotiating, or otherwise dealing in contracts for residential property or the equitable interest in residential property, or options on residential property or improvements on the property.
- Establish the Residential Property Wholesaling and We Buy Houses Homeowner Protection Act, which does the following:
 - Gives a homeowner, who is a party to a residential property wholesaling or related transaction, the right to cancel the purchase contract until midnight of the 30th day after the date of contract execution or until conveyance of the deed or title, whichever occurs first.
 - Requires notice of cancelation be given by certified return receipt mail or by any other bona fide means of delivery, provided that the homeowner obtains a receipt.

Kara McCraw
Director



Legislative Analysis
Division
919-301-1976

House Bill 797

Page 2

- Requires all payments made by the homeowner be refunded to the homeowner and an acknowledgement that the purchase contract is void be sent by the broker or salesperson to the homeowner.
- Declares that a homeowner who exercises the right of cancelation is not liable for any damages as a result of exercising that right.
- Requires the purchase contract to include certain information in at least 14-point font, immediately above the homeowner's signature.
- Requires the wholesaler to provide the homeowner with an exact copy of the contract at the time the homeowner signs the contract.
- Provides that the following actions constitute unfair or deceptive trade practices: (i) failure of an entity engaging in residential property wholesaling or related transactions to provide homeowners with the right to cancel or (ii) engaging in certain violations.

Section 2 would give the North Carolina Real Estate Commission rulemaking authority to implement the provisions of Section 1.

EFFECTIVE DATE: The bill would become effective October 1, 2025, and would apply to purchase contracts entered into on or after that date.