

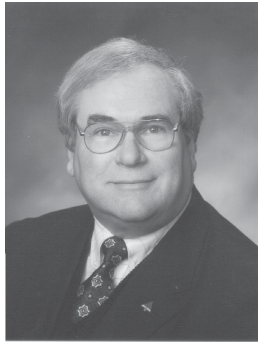
Field Notes

The Greater Oregon Chapter of the Appraisal Institute Official Newsletter

President's Message

Terry Bernhardt, SRA
2005 Chapter President

2005 has been a busy year for the Greater Oregon Chapter. We've pushed a "quality appraisal education and professional development" theme throughout the year, highlighted by one of the broadest schedules of courses & seminars, and informational meetings in our chapter history. We will continue this program aggressively for the next two+ years, as the Appraisal Foundation-mandated additional education requirements—approximately 50% more hours for each license level—are barely two years away. If you



are thinking of upgrading your license status prior to Jan 1, 2008, now is the time to act.

The Appraisal Institute's Education Department has been working overtime the past two years updating and rewriting all of the qualifying educa-

tion courses, in order to make a smooth and timely transition to the new requirements. This includes a standard 30-hour/4-day course length, which will help

lower costs and lost work time. Additional courses are being developed to present concepts and

approaches to value in greater detail consistent with the additional hour requirements.

The ACLB has audited numerous appraisers' education files, and discovered many who haven't taken a full course since the 1991 transition.

As we are in a business which is constantly changing, the opportunity to update your procedural skill sets and revise your professional credentials is needed.

When I was installed as chapter president a year ago, I had two informal "campaign promises". The first was, to encourage younger

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Stacy Allison to Speak at AI Installation of Officers

The Greater Oregon Chapter Appraisal Institute 2006 Installation of Officers and Awards Banquet will be held at the Fifth Avenue Suites Hotel in Portland on January 21, 2006. A no host social is set to begin at 6:00 pm, followed by a dinner and program at 7:00 pm. Speaker Stacy Allison of Portland will share of her climbing experiences while encouraging all to strive after their dreams.

Known for being the first American woman to reach the summit of the world's highest mountain, Allison is a

"In her speaking, Allison often emphasizes teamwork and the importance for the audience members to take responsibility of their own lives."

woman of determination. Allison reached the top of Mt. Everest, elevation 29,028 feet, on September 29, 1988. It was her second attempt.

Everest was not Allison's first mountain feat.

In her early twenties, she attempted to summit Mt. Huntington in Alaska. She later reached the top of Mt. McKinley and

became the first woman to successfully reach the top of Ama Dablam, Nepal's Matterhorn. Allison was also the first American woman to summit Pik Communism. This mountain boasts the highest peak in the Russian Pamir Range at 24,600 feet.

Allison later led a team attempting to summit K2 in Pakistan. K2 is the world's

second highest mountain, often considered the most difficult peak on Earth. Three of the seven made it to the top, but the team had to return after an accident occurred which injured one of the team members.

Allison now lives in Portland with her husband and two sons. Along with becoming a successful speaker and authoring two books, she runs a successful residential building company, Stacy Allison General Contracting.

In her speaking, Allison often emphasizes teamwork and the importance for the audience members to take

responsibility of their own lives.

The cost for the event is \$45 per person. Please RSVP by January 16th. For more information, call 503-316-1979.

Photo courtesy of Stacy Allison's website: <http://www.beyondthelimits.com>



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President's Message Cont.

appraisers to become active in chapter affairs at an earlier point in their careers, to both enhance their voice in issues which will affect them the most in the future, and to better prepare them as tomorrow's chapter and national leaders. We're doing this by encouraging associate member presence on chapter committees, and opening chapter board and regional representation to associates. In addition, the board has authorized course and seminar stipends and scholarships to participating associates active in chapter service.

Two, to enhance the participation and provide opportunity for our residential associates and members. This initiative has been given a huge boost by the national board's November adoption of a new SRA demonstration report option of 45 hours of coursework focusing on better handling of difficult conceptual issues, such as accrued depreciation methodology and sourcing; and proper reporting techniques. This replaces the decades-old requirement of hundreds of hours of research and writing of a report which is virtually non-existent in the marketplace. We have a roster of nearly 25 experienced

"We have a roster of nearly 25 experienced residential appraisers who have indicated interest in completing their SRA designation, and have offered to counsel and encourage them through the experience review phase."

residential appraisers who have indicated interest in completing their SRA designation. They have been offered counsel and encourage them through the experience review phase. This renewed interest in the SRA will not only benefit existing designees, but also restores the SRA to its traditional place as the professional standard of the residential appraisal field. The chapter is negotiating with national to host the roll-out of the

new 30 and 15 hour courses sometime in mid-2006. If you are interested in signing on, please call Vicki Champ at the chapter office, or me at 503-223-7000/tbernhardt@valuationtrust.com.

In closing, thank you to the officers, board of directors, and committee members for your hard work and commitment to the mission and goals of the Appraisal Institute, and service to our membership. To the members, thank you for the support of our chapter programs and your participation. It's been a very good year—here's to a safe, professional, and prosperous 2006.

Terry Bernhardt, SRA
2005 Chapter President

Kenneth C. Watkins
August 3, 1929 –
November 24, 2005

Kenneth Watkins passed away unexpectedly while with his family on Thanksgiving Day.

Watkins served in the Naval Reserves and after two years of business school, worked in sales. He later worked for American Savings & Loan and became vice president for Equitable Savings & Loan. He eventually entered the real estate industry. He became a broker and served as the Real Estate Appraisers Chapter President in 1980. He opened his own appraisal business before retiring in 1991.

While retired, he spent 14 years traveling and enjoying life with his wife of 55 years, Vi.

A memorial service was held at the River View Cemetery Chapel in Portland on December 14, 2005. The service was attended by family, friends and many prominent retired AI members.

Help Wanted

Columbia River Bank is seeking an experienced appraiser as a Real Estate Risk Management Officer. The position will be responsible for ordering, reviewing, and preparing commercial and residential appraisals. Other responsibilities include market research, loan officer training on appraisal issues, client consulting, and risk management as it relates to the real estate portfolio. Columbia River Bank is one of the fastest growing banks in the northwest with branches in Central Oregon, Willamette Valley, Tri-Cities, and along the I-84 corridor. Some travel to the branches is required. The job is based in The Dalles. Applicants can live anywhere in the Columbia River Gorge region. Please respond to Dean Cameron, MAI (dcameron@columbiariverbank.com) for full information on salary, bonus, vacation, 401K, and medical benefits. EOE.

Help Wanted

CJM Investment Property Advisors, a Bellevue, Washington-based firm, is seeking to hire a commercial real estate appraisal trainee in the greater Portland, Oregon area. We will train you to appraise apartment complexes, office buildings, subdivisions – just about any commercial property – and prepare detailed written reports. Applicants must possess a bachelor's degree. Analytical training in areas such as philosophy, journalism, English, accounting, statistics or engineering is desirable. Educational or work-related experience with research and report writing is a plus. For more information about our company, please visit our website at www.cjmadvisors.com. Applicants should submit a resume and letter of interest to CJM via e-mail or fax. Contact Hillary Huefner, admin1@cjmadvisors.com, Phone: 425.454.6789, Fax: 425.454.3234

Help Wanted

Seeking MAI / general certified appraiser to share space with other MAI appraisers at our newly completed office building in Tualatin. Convenient location near Fred Meyer and I-5 interchange. Turnkey space sharing arrangement to include a furnished private office + reception / phone services + access to databases + full admin support + all supplies. Non-smoker only. Interested parties email tokurt@mcportland.com, or call Kurt Mueller, MAI at 503.620.0881.

USPAP Course held in Lincoln City

The Oregon Society of Farm Managers & Rural Appraisers will be sponsoring a 7-hr USPAP course (includes new material for 2006) on January 30th, 2006 at the Inn at Spanish Head, Lincoln City, OR (541-996-2161). Lunch included. Cost: \$150 (lunch included). January 31st, 2006 the group will sponsor a 1-day seminar on GIS for Farm Appraising with an overview of ARC map, map making, soils data/maps & ORMAP to GIS/GPS (6.5 hrs. CE Credit has been applied for). Cost: \$120 (includes breakfast & lunch). For registration information contact Stan Miles at 541-753-8945 after January 8th, 2006.

Executive Summary of the 2008 Real Property Appraiser Qualification Criteria

As a result of a three-year endeavor that included numerous public meetings around the country and six exposure drafts, the Appraiser Qualifications Board (AQB) adopted revisions to the *Real Property Appraiser Qualification Criteria* in February 2004.

Knowing the possible impact the changes to the *Criteria* could have on regulators, educational providers, and practitioners, the AQB wanted to ensure ample lead time for implementation. Accordingly, the effective date for implementation of the new *Criteria* was set as January 1, 2008, almost four years after adoption.

Key Components of the *Criteria* and How They Are Changing The major components of the *Criteria* are qualifying education, experience, examination, and continuing education. It is perhaps easiest to first cover what is **not changing**.

Continuing Education The continuing education requirement of the equivalent of fourteen class hours each year remains unchanged. In addition, the requirement that individuals must successfully complete the *7-Hour National USPAP Update Course* or its equivalent every two calendar years as part of the overall fourteen class hour requirement remains in effect.

Examination All individuals seeking to become a State Licensed, State Certified Residential or State Certified General appraiser must successfully pass an examination administered by the jurisdiction awarding the credential. The examination requirements have not changed; although, it should be noted that the AQB is in the process of developing new Uniform State Appraiser Examinations, which will be implemented concurrently with the effective date of the new *Criteria*.

What is **changing**:

Experience There is only one change regarding experience. At the present time, the experience requirement for the Li-

censed Residential Real Property Appraiser Classification is 2,000 hours. Effective January 1, 2008, the experience requirement for that classification will be 2,000 hours in no fewer than 12 months.

Qualifying Education The most significant changes in the new *Criteria* relate to qualifying education. The changes fall into the following categories:

1. There are college-level course requirements for the Certified Residential and Certified General classifications;
2. The required number of classroom hours in appraisal education has increased significantly in all three licensure classifications; and
3. There are minimum classroom hours of coverage requirements for specific topic areas, which are known as modules.

College Course Requirements For the first time, there are now college-level course requirements for the certified classifications.

Certified Residential: Associates degree or higher; in any field of study; or, in lieu of the required degree, twentyone (21) semester credit hours covering the following subject matter courses: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra, Geometry or, higher mathematics; Statistics; Introduction to Computers: Word Processing/ Spreadsheets; and Business or Real Estate Law.

Certified General: Bachelors degree or higher; in any field of study; or, in lieu of the required degree, thirty (30) semester credit hours covering the following subject matter courses: English Composition; Principles of Economics (Micro and Macro); Finance; Algebra, Geometry or higher mathematics; Statistics; Introduction to Computers: Word Processing/ Spreadsheets; Business or Real Estate Law; and two (2) elective courses in accounting, geography, agricultural economics, business management, or real estate.

Classroom Hours In addition to the college-level course requirements, the appraisal education classroom hour requirement has increased for the State Licensed, State Certified Residential and State Certified General classifications. The Trainee classification remains unchanged at 75 classroom hours. The number of appraisal education classroom hours to become a State Licensed appraiser has increased from 90 hours to 150 hours; Certified Residential has increased from 120 hours to 200 hours; and, Certified General classification has increased from 180 hours to 300 hours.

Required Core Curriculum At the present time, individuals seeking to become an appraiser may select courses covering material that appears on a topic list in the current *Criteria*. Because there is no guidance regarding the amount of coverage (classroom hours) for each topic, there have been considerable inconsistencies in the education received by appraisers holding similar state credentials. The emphasis has been on the total number of classroom hours, rather than on the amount of coverage in specific topics.

There is now a Required Core Curriculum for each appraiser classification. Examples of Required Core Curriculum modules include Basic Appraisal Principles, Basic Appraisal Procedures, Residential Market Analysis and Highest and Best Use, and the National USPAP Course.

Accompanying the listing of modules is the specific number of classroom hours for each module. **It is important to note that these modules are subject matter areas and not necessarily the names of courses.**

The AQB has issued a Guide Note to assist in understanding the expected content coverage expected under each module.

The AQB has developed the following two options for state appraiser regulators to implement the *Criteria* changes:

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BYLAWS: open

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G. Harvey Gail, Communications, Finances

Vicki Champ, Education & Events

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Field Notes articles to the above email
address

Meeting and Class Schedule 2006

Jan. 21	Installation of Officers and Awards Banquet; Fifth Avenue Suites Hotel, Portland, OR
Jan. 23-26	Course 101: Appraisal Principles (30 hours); Marylhurst University, Lake Oswego, OR
Jan. 30-Feb. 2	Course 102: Appraisal Procedures (30 hours); Marylhurst University, Lake Oswego, OR
Feb. 3-4	Course 410: Standards Part A (15 hours); Marylhurst University, Lake Oswego, OR
Feb. 9	Course 400: National USPAP Update (7 hours); Haydens Grill, Tualatin, OR
Feb. 10	The Professional Guide to the URAR (7 hours); Haydens Grill, Tualatin, OR
March 9	Course 667: Valuation of Detrimental Conditions (7 hours); Phoenix Inn, Tigard, OR
March 13-18	Course 540: Report Writing (40 hours); Phoenix Inn, Tigard, OR
April 7	Course 770: Self Storage Economics & Appraisal (7 hours); Phoenix Inn, Tigard, OR
April 21	Course 420: Business Practices/Ethics (8 hours); Phoenix Inn, Tigard, OR
May 5	Scope of Work (7 hours); Location TBA
June 2	Course 400: National USPAP Update (7 hours); Downtown Athletic Club, Eugene, OR
Sep. 11-16	Course 310: Basic Cap (40 hours); Phoenix Inn, Tigard, OR
Sep. 21-22	Course 705: Litigation Appraising (16 hours); Century Hotel, Tualatin, OR
Sep. 23	Course 776: What Clients Would Like Their Appraisers to Know (7 hours) Phoenix Inn, Tigard, OR
Oct. 20	Course 400: National USPAP Update (7 hours); Haydens Grill, Tualatin, OR
Nov. 2	Analyzing Commercial Lease Clauses (7 hours); Phoenix Inn, Tigard, OR
Nov. 3	Course 765: Appraising Convenience Stores (7 hours); Phoenix Inn, Tigard, OR
Nov. 16-17	Residential Market Analysis & Highest and Best Use (15 hours); Phoenix Inn, Tigard, OR

Executive Summary cont.

‘Firm Date’ Scenario: Any credential issued by a state appraiser regulatory body on or after January 1, 2008, must be in compliance with *all components* of the new AQB Real Property Appraiser Qualification Criteria.

Under this scenario, it would not matter when an applicant completed his or her education, examination and experience; if the credential is issued after January 1, 2008, the applicant must meet the requirements for **all components** of the new Criteria.

‘Segmented’ Scenario: The requirements are broken down into three segments (or components): Education, Experience, and Examination. An applicant would have to meet the Criteria in effect at the time he or she completes a particular component or

segment. Any component completed prior to January 1, 2008, would satisfy the current Criteria, while any component not completed by January 1, 2008, would have to conform to the new Criteria.

For example, an applicant for a Certified General credential completes all of the currently required 180 hours of qualifying education and passes the state’s Certified General examination in 2007, but does not possess the required 30 months and 3,000 hours of experience. Since the applicant completed the education and examination components prior to January 1, 2008, he or she would be deemed to have satisfied those components. Therefore, the only component which the applicant would have to satisfy under the new Criteria would be experience (which, in this case, is no different than the current Criteria).



Field Notes

January 2006

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Return Service Requested