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## Free Money

(or in other words: the chapter has scholarship money available; apply now!)

Twice each year, the Greater Oregon Chapter awards education scholarship money to chapter members. The scholarships consist of up to \$750 toward tuition for courses presented by GOCAI that meet designation requirements. Preference in awarding scholarships is given to members who have demonstrated progress toward meeting designation requirements and who have supported our chapter, but all chapter members are eligible to apply. The award money must be used within one year of award receipt.

The deadlines for application are June 30 and December 1 of each year. To access the application, please visit the GOCAI website ([www.oregonappraisers.org](http://www.oregonappraisers.org)) and click on the "Education Scholarships" link on the left side of the page.



# Greater Oregon Chapter

**Message from the 2017 Chapter President:**  
**Owen E. Bartels, MAI**  
[obartels@irr.com](mailto:obartels@irr.com)



Especially since I'm long overdue with this President's Report, I'll try to be brief. I have plenty to thank you all for over this past year, and then one more call to action that demands your attention.

Thank you all again for your support over this past year. I've mentioned this in this venue before, but you were responsible for the success of our statute of limitation legislation this past year, which is now law. With your continued support, we'll be bringing this back around, this time (hopefully) collaborating with our friends at the Oregon Association of Realtors, to begin some clean-up and corrections from the first time around with the goal of bringing liability down from six years to five. What a great time to volunteer to help your chapter and participate in a committee! If you'd like to help just let Vicki know and she'll make sure you're pointed in the right direction.

Thank you for continuing your support for our chapter. I hear there are some struggling chapters here and there, but it is thanks to all of you that our chapter is strong.

Along those lines, though, I want to again implore you to consider, research, and react to the governance restructure project. Here's my unfairly brief summary of a very complex topic: the national office proposes to shrink the number of chapters and incorporate most chapter obligations into national's responsibilities. There are positives and negatives to that course. Only one thing appears clear, and it's that they want to hear what you think! They want to hear from you directly. Really. Not through your chapter leadership or board, but from each of you. They've made a website. Go visit. Read, and more importantly, leave a comment: [https://www.myappraisalinstitute.org/strategic\\_initiatives/governance\\_structure.a](https://www.myappraisalinstitute.org/strategic_initiatives/governance_structure.a)

Thank you all for your support and hard work over this past year, and let's all wish Katie Powell-Banz, MAI a successful spin!

Respectfully Submitted

2017 GOCAI President



### **Appraisal Feedback**

Several review appraisers and lenders were interviewed with regards to most commonly occurring errors in appraisals as well as positive feedback on well written reports and observed trends in bidding. Many of the responses were recurrent amongst the interviewees. The information below summarizes the most common deficiencies, appraisal praises and input on bidding from clients throughout Oregon.

### **Most Common Appraisal Deficiencies:**

- Not carefully considering impact of property rights
- Math errors
- Not adhering to bank-specific scope of work requirements
- Not reading engagement letter for all requirements
- Inadequate detail of ownership history and/or subject sale analysis
- Poor comparable selection and lack of description of analysis
- Reports without building dimensions or sketches
- Property inspection completed by trainee only

### **Appraisal Praises**

- Addressing pertinent issues up front rather than hiding within the report.
- Staying in touch with reviewer during appraisal process as issues arise.
- Reports which do not have excessive boilerplate.
- Ample, labeled subject photographs
- Detailed analysis of conclusions
- Reports with unnecessarily detailed information in the Addenda rather than report body

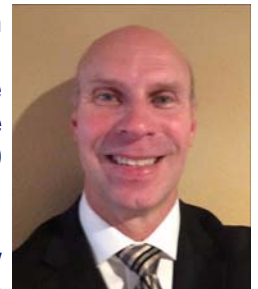
### **Appraisal Bid Trends**

- Fees have showed little change from 10 years ago & tend to be consistent amongst bidders
- Fees are lower for straightforward properties now and competition for this type of job is greater
- Useful to give a couple of bid options (standard and rush fees) when bidding
- National firms can bid more aggressively with quick delivery, this has caused many smaller shops to diversify from lender work
- Report writing programs have helped companies decrease fees and turn times due to efficiencies.

### **Member Spotlight** **Michael Hinnant, SRA** **2018 Chapter Secretary** [michaelhinnant@gmail.com](mailto:michaelhinnant@gmail.com)

Mike is originally from Tampa, Florida, where he attended the University of South Florida. Growing up playing several sports from football, basketball, and baseball to golf, he settled on golf during high school. After playing golf with a commercial appraiser he became interested in the business. In 1993, after completing some appraisal courses, he found work was most available in the residential field. Mike opened a small shop in 1999 and moved his family to Oregon in 2005.

Brian Brooks, SRA encouraged him and helped him obtain his SRA designation a few years after moving to Oregon and also got him involved in the local chapter which has allowed him to meet appraisers from around the state. Mike lives with his wife and two daughters, Paige and Lauryn, and enjoys watching them play club sports and travelling with their teams. Each year, he and his 29 person extended family host a family reunion in a different part of the country, with his favorite location to-date being Maine due to the similar climate to the Pacific Northwest.



**The ACLB needs your help!**  
**Daneene "Danee" Fry, SRPA, SRA**  
**ACLB Compliance Investigator**  
[danee.fry@oregon.gov](mailto:danee.fry@oregon.gov)

The Oregon Appraiser Certification and Licensure Board needs your help. The Board has developed a new remedial program for complaint resolution as an alternative to formal disciplinary action. The new Mentorship Program is designed to address situations in which it appears that a trainee or an appraiser violated USPAP and/or state statutes or rules because of poor education, inadequate training or ignorance. The program involves a volunteer mentor - an experienced appraiser - working one-on-one with an appraiser mentee in need of remedial training and education.



Mentors are a key component of this remedial program which focuses the ACLB's efforts to promote and protect the public through improved appraiser competency. Unlike the Supervising Appraiser program, the Mentorship Program involves a relatively short, finite period which will focus on developing and implementing a plan to address an appraiser mentee's identified appraisal deficiencies in a practical, real world manner.

The Mentorship Program is designed to assist appraisers in improving their competency by heightened awareness, understanding and correct use of those recognized methods and techniques that are necessary to produce a credible appraisal. The program emphasizes increased familiarity and understanding of the relationship between everyday appraisal practice, the Uniform Standards of Professional Appraisal Practice (USPAP) and Oregon statutes and administrative rules.

The success of the Mentorship Program depends on members of the appraisal community being willing to lend a helping hand. If you've been a certified appraiser in good standing in Oregon and any other state of licensure for at least three years and are interested in helping, contact ACLB Administrator Gae Lynne Cooper or Compliance Investigator Danee Fry.

Gae Lynne Cooper: [gae.lynne.cooper@oregon.gov](mailto:gae.lynne.cooper@oregon.gov)  
(503) 485-2555, Ext. 107

Danee Fry: [danee.fry@oregon.gov](mailto:danee.fry@oregon.gov)  
(503) 485-2555, Ext. 106

**GOCAL OFFERS "APPRAISER BOOT CAMP"**  
**Terry Bernhardt JD, SRA, AI-RRS**  
[bernhardtterry@gmail.com](mailto:bernhardtterry@gmail.com)



Sign up your appraiser assistants and any potential supervisory appraisers in your firm for this federally-mandated class! AND, network and support your local professional organization all in one. Additional time will be allocated for aspiring appraisers to discuss the 'state of the industry', and the path to professionalism and a rewarding career.

The Greater Oregon Chapter will be teaching an 'appraiser boot camp' in the late October-November time frame, in order to create opportunity for incoming professionals to power their way through to the "Licensed Appraiser Assistant" status. In conjunction with the April offering of the Supervisory Appraiser/Appraiser Assistant Course and the 15-hour USPAP class, you will be well prepared for supervised field work, and to start counting the hours necessary for licensure and certification.

Again, additional time will be allotted for discussion of the appraisal business, how to market yourself to and interview supervising appraisers, how to write a good resume, and potential scholarship and mentorship opportunities.

## In Memorandum Roy Wright, SRA



May 25, 1940- December 31, 2017

Roy "Mike" Patrick Wright passed away the morning of December 31, 2017, New Year's Eve. He was surrounded by friends and loved ones. He was 77 years old.

Roy was born May 25, 1940 in Anaconda, Montana to Roy Peter Wright and Mable Evelyn Walsh Wright. His elder sister, Dorothy "Arleen" was already one year and nine days older. At a young age the family moved to Portland, Oregon. During World War II, his mother, Mable, was employed at the Kaiser Shipyards along the Willamette River helping with the war effort. His father, Roy Sr., was a driver for Radio Cab Company in Portland until he retired.

Roy attended All Saints and St. Stevens grade schools and Central Catholic High School. In 1957, he enlisted in the United States Army. He was stationed at Air Force Bases in South Dakota and Maine. He returned to Portland after the Service and in 1962 married the girl next door, Jean Marie Plotts (Work). Together they had five children, Roy Patrick, Mary Lee, Deborah Marie, Catherine Lorraine, and Michael Remy. They remained married until the late 1970s.

After military service, Roy was employed by Standard Oil and the Jackson County Assessor's Office. He returned to college to study business and economics at Southern Oregon University. In 1978, he started his own real estate appraisal business, Roy Wright Appraisal Service. A business he would continue until his death. He was active in local politics and was a member of Rotary International for almost 40 years. He taught real estate appraisal courses across the country for more than 30 years. In his 50s, Roy was reunited with his love for dancing. He started with tap dancing, dabbled in swing, salsa, and even ballet. Finally, settling on tango as his true love. He danced for a number of years in the Rogue Valley's Holiday production of the Nutcracker Ballet. In 2000, the year he turned 60, he immersed himself in tango. He put his real estate appraisal business on hold and moved to Buenos Aires, Argentina for three months. In Buenos Aires, he trained with the world's best tango masters. He returned to the Rogue Valley and would teach thousands of tango students over the next 17 years, locally, nationally, and in Mexico. He and another tango teacher, Clay Nelson, started Ashland's own tango festival, Turkey Tango. Roy has done guest appearances at the Oregon Shakespeare Festival Green Show featuring tango dancers from around the World.

Roy is survived by his children, Mary Lee Wright (John Runyon) of Portland, Catherine Lorraine Wright (Anthony Uribe) of Grants Pass, and Michael Remy Wright (Debbie Kosmatka Wright) of Medford; his sister, Dorothy "Arleen" Curths (Ron Curths) of Powell Butte, Oregon; and his nephew, Randy Curths. Roy has 10 grandchildren and seven great-grandchildren. He was preceded in death by his son, Roy Patrick Wright; his daughter, Deborah Marie Wright; and parents.

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*\*\*\*Before Roy passed away he asked if I would pass along his explanation of regression analysis. He said it was his last contribution to the profession. Rest in peace, Roy. You will be missed by many. I will miss our phone conversations and visiting with you when you would attend classes in Tigard. Vicki Champ*

***In Appraising, What is Multiple Regression Analysis? It is statistically based analysis of sales comparable's***

In the sale comparison approach, we typically choose three comparable sales that are like the subject. The appraiser believes that the buyers and sellers of the three sales represent the typical buyers and sellers in the subject market area. Then, the appraiser lists the three comparables on a grid and compares the variables of the three comparables to the subject of the appraisal. This we hope will produce a viable value estimate. This is known as inferential statistics.

Let us say that there were 60 sales in that market area. That means there are 20 possible sets of three that could have been used in the sales comparison approach. How about we put all sixty sales on a grid and compare them to the subject and make supportable adjustments to the subject? Most of us would agree that this would produce a more objective value estimate. In today's 1004 form, it would require 19 extra pages and it would be extremely difficult to analyze all 20 grids.

With "Multiple Regression Analysis," we have in effect gridded out all 60 comparables, made supportable adjustments and arrived at an objective value estimate. This could only be accomplished by use of computers. This is known as descriptive statistics.

Regression analysis has been around and used in social sciences for over one hundred years and has been used in commercial appraising for the past several decades. It is just recently that regression analysis has been implemented in residential appraising. In the past, residential appraisers have been limited to a paired sales analysis in order to support their adjustment. Paired sales are more of a subjective analysis in that the appraiser typically chooses paired sales that support adjustments that we thought were reasonable. With paired sales, the appraiser typically used 2-4 comparables for the analysis. With regression analysis, the appraiser uses 30-90 or more comparables. With the higher number of comparables we can produce a more objective support for adjustment without inserting our own personal prejudice.

*Roy Wright, SRA*





# Upcoming Events

February 15	7-Hour National USPAP Update Course	DoubleTree by Hilton 9575 SW Locust Street Tigard, OR
February 16	Business Practice and Ethics	DoubleTree by Hilton 9575 SW Locust Street Tigard, OR
March 1	Solving Land Valuation Puzzles	DoubleTree by Hilton 9575 SW Locust Street Tigard, OR
May TBA	7-Hour National USPAP Update Course	DoubleTree by Hilton 9575 SW Locust Street Tigard, OR
Fall-Winter TBA	General Appraiser Income Approach, Pt. 1 and 2	DoubleTree by Hilton 9575 SW Locust Street Tigard, OR
Fall-Winter TBA	7-Hour National USPAP Update	DoubleTree by Hilton 9575 SW Locust Street Tigard, OR
Fall-Winter TBA	Basic Appraisal Principles/Basic Appraisal Procedures/15 Hour USPAP	DoubleTree by Hilton 9575 SW Locust Street Tigard, OR

[Register Online Now](#)

Sincerely,

Zoe R. York, MAI  
Newsletter Editor, Greater Oregon Chapter of the Appraisal Institute