



Field Notes

The Greater Oregon Chapter of the Appraisal Institute Official Newsletter

President's Message

2010 Chapter President, Roxanne R. Gillespie, MAI

Thank you for placing your confidence in your elected officers, board of directors, and regional representatives to keep the Greater Oregon Chapter of the Appraisal Institute on track and growing, with ethical integrity and honesty.

Thank you for your membership and participation.

The year is off and running. I mean running, not jogging, but full on speed running. Our year opened with an incredible "knock it out of the park" Installation Banquet featuring friends, colleagues, awards, recognitions, and entertainment. In the best organizations there is no such thing as them and/or us; there is only we – all of us working together.

In the big picture everyone has a piece of the puzzle. I do mean everyone, including, and perhaps especially you. You make a difference in our chapter. One of the greatest misconceptions that people have is that they don't impact the lives of others. You are already making a difference. Let me outline some of these impacts that we and our organization are having:

As leaders in our profession, members of professional organizations, we are respected by those who use our services.

As members of professional organizations such as the National Association of Independent Fee Appraisers, American Society of Appraisers, Oregon Society of Farm Managers and Rural Appraisers, Oregon Chapter of the American Society of Farm Managers and Rural Appraisers, Royal Institute of Charter Surveyors of America, and the Appraisal Institute, we adhere to and exceed higher standards and ethics than those expected in our industry.

GOCAI along with NAIFA, ASA, AS-FMRA, and RICS jointly and collectively worked together during the special legislative session during the month of February. Working with Representative Paul Holvey, your governmental affairs committee (par-

ticularly Wayne Richards, MAI, SRA, John Pin, SRA, Ralph Olsen, MAI, SRA, IFA) your officers worked tirelessly on Appraisal Management Company legislation. House Bill 3624 passed the House of Representatives and Senate unanimously on February 25, 2010. The bill was signed on March 24 by Governor Kulongoski. Thank you to all of you who wrote to your legislators and encouraged them to vote "YES" on this measure. Please take the time to write to the Governor and thank him for his support of HB 3624. Your participation is necessary, needed, and welcomed.

MAIL

Governor Kulongoski
160 State Capitol
900 Court Street
Salem, Oregon 97301-4047

PHONE

Governor's Citizens' Representative Message Line
503.378.4582(ph) 503.378.6827(fx)

EMAIL

You can send a form email at http://www.governor.oregon.gov/Gov/contact_us.shtml.

In addition to the Installation Banquet, legislation and education, we are sending two chapter members to the Leadership Development and Advisory Counsel (LDAC) in Washington D.C. in May 2010. The members are Brian Brooks and Aaron Krueger. LDAC is an integral part of the Appraisal Institute and our chapter. Many of our GOCAI members have participated in this educational conference with eyes opened to the future. We are looking for candidates for the 2011 year. If there is someone you would like to nominate, please contact Jordan Lee (jlee@jibappraiser.com) or Dan Harms (dharms@pvinc.us), as they are the co-chairs for the Development and Retention committee.

Have you checked the GOCAI



Roxanne R. Gillespie, MAI

website recently? The link to the calendar of events is <http://www.oregonappraisers.org/event.html>. We have educational offerings every month, except for July and August. There are currently 22 seminars and courses offered this year. The schedule is evolving, so check the website often. We will be offering chapter meetings with a two-hour educational offering. Our budget has suffered over the past year, and I encourage you to take a course or seminar from our chapter. Online courses are offered, and please remember to register as a member of the Greater Oregon Chapter. Our chapter will get \$15 for every online course you take, but only if you register as a GOCAI member. At registration, this information will be on the left side of the computer screen. Thank you to our education committee: Ernie Tischhauser, Aaron Krueger, Owen Bartels, Matthew Larrabee, MAI, and Carl Stillman, MAI.

The newsletter will be updated throughout the year to keep our members updated. Thank you Katie Banz! Please feel free to contact Katie with article ideas, suggestions or comments (kbanz@pvinc.us).

This year we will continue with pertinent chapter meetings for networking and education. We are planning a network me-
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President, Continued from pg. 1

dia seminar that will assist us all in looking at social networks and how to make them profitable for us and our businesses. Owen Bartels and the education committee are putting this together and hope to offer the seminar in June.

Finally, I ask that you mentor a member and assist them to become designated. Do you know an associate member who may be approaching the demonstration report, courses, comprehensive exam, and peer review process? Please reach out to them, share your experience, and encourage them to “get it done”.

In closing, I leave you with this: There is a silent killer that stalks America. It's called “rust out” and it's far more deadly and scary than burnout. Sure, burnout can wear down your body, but rust out can wipe out your soul and your spirit. “Rust out” is the slow death that follows when we stop making the choices that keep life alive. It's the feeling of numbness that comes from always taking the safe way, never accepting new challenges, continually surrendering to the day to day routine. Rust out means we are no longer growing, but at best, are simply maintaining. It implies

that we have traded the sensation of life for the security of a paycheck. Rust out is the opposite of burnout. Burn out is over doing, rust out is under being. Jump out of that RUT. Go out, make a difference, do it now, do it today, do it for just twenty minutes, and see what will happen.

As always, my door is open to you. Please call, email, or stop by for a visit. I love to listen to your ideas, suggestions, and thoughts on our chapter, profession and how to make it better.

Very truly yours, - Roxanne R. Gillespie, MAI

Past President's Message

Matthew Larrabee, M.Arch, MAI

To my fellow members of the Chapter: In looking back at 2009, let me first express my gratitude for the opportunity to serve you, the 585 members of the Greater Oregon Chapter of the Appraisal Institute. It was an honor to be your President, and I hope that in some way I have had a positive influence on our organization. I have great confidence in my successor and the incoming officers, board members, and regional representatives for 2010 who will continue to keep this one of the best AI chapters in the nation.

While 2009 was a tough year for the business, let's give ourselves a pat on the back. We made it through one of the toughest down markets in many years. According to the US Bureau of Labor Statistics, over 4.1 million jobs have been lost since January 2009. This breaks every record going back to 1939, which was the first year that the BLS measured lost jobs. For 2010, the question is whether the country is beginning the upward trajectory of a U-shaped recovery, or getting ready for the next downward tumble in a W-shaped recession. Business conditions reflect uncertainty due to lack of consumer demand, lack of bank loans, continuing double digit unemployment, and rising numbers of discouraged workers who have dropped out of the job market. The conditions for new investments, hiring, and a return to a robust economy are absent.

For our colleagues who have not been through an economic downturn, let me assure you, it won't last forever. This is a good time to upgrade your credentials – and

I am not alone in thinking this, as I have noted more appraisers moving forward to completing the requirements for their SRA or MAI designations. With appraisal work requiring more judgment than ever before, many clients appreciate the assurance that the appraiser they hire has proven worthy of distinction. Yes, the investment in yourself is substantial and comes with some sacrifice, but long-term commitment and seriousness about professionalism has its rewards, both monetary and personal.

During the recent past, our chapter has enhanced our ties with other professional real estate organizations in the area. Be sure to check the Chapter website for the shared calendar of events. There are 19 participating groups. What better way to market your firm than to meet others who are in the field of real estate and outside our immediate circle?

The Appraisal Institute is working at the state and national levels seeking regulation of AMCs (Appraisal Management Companies). AMC regulation will benefit consumers and is in the best interests of the appraisal profession. The Oregon legislature will have its next regular session in 2011, but in the meantime the Appraisal Institute is working with other leading appraisal associations in our reform efforts. We should applaud the efforts of chapter members John Pin, SRA, Roxanne Gillespie, MAI, and others on our Government Relations committee who have devoted many volunteer hours to the cause. (With apologies to the many who are too numerous to cite here).



Matthew Larrabee, M.Arch, MAI

Reflecting on the past fifteen years of my appraisal career in the Portland area (which makes me a mere pup compared with colleagues with 20, 30, or even 40 years of experience), one of the best choices that I made was to join the Appraisal Institute. The benefits have greatly outweighed the price of membership. The Institute's educational programs are the standard of quality for the profession. Equally important have been the many opportunities, the networking, the friendships, and the just plain fun that has come my way.

A few “thank yous” are in order: to the officers, the board of directors, committee members and volunteers, thank you for giving freely of your time and talents to support the Appraisal Institute. To our Executive Director, Vicki Champ, thank you for taking care of the thousands of details that keep our chapter running smoothly. To my wife and family, thank you for putting up with all of the time spent away from home. To the 585 members of the Greater Oregon Chapter, thank you for your continued support and participation; each of you is appreciated and valued. May we all survive and prosper in 2010!

Karen J. Storm Awarded AIET Minorities and Women Designation Scholarship

It is our pleasure to announce that Karen J. Storm is an AIET Minorities and Women AI Scholarship recipient. Karen has been awarded a scholarship to attend the Advanced Applications course (May 3-8, 2010) sponsored by the Greater Oregon Chapter. The scholarship is for \$500, which will cover all costs associated with the course. Karen was congratulated by the AI Scholarship Committee, which is based in Chicago, Illinois.

Please join us in congratulating Karen and assist her in any way possible towards earning her MAI designation.

Karen provided the following article regarding her appraisal journey:

I began my appraisal career eleven years ago. Prior to becoming an appraiser, I worked primarily in the financial field, in both the public and the private sector. Initially upon graduation from San Diego State University, I was employed by the US Treasury Department as a bank examiner supervising national banks and aiding in compliance as well as financial and management decisions. During the 1990's, I worked in analyst and internal auditing positions for several banking institutions analyzing financial issues, conducting internal and external audit functions, working with outside examiners and auditors, and developing procedures, as well as managing and implementing a loan servicing program. Throughout these experiences I scrutinized

numerous real estate loan files which always seemed to be the most interesting part of the job.

When circumstances found me reevaluating my career in the late 1990's, I considered real estate appraisal. There were numerous aspects of the profession that appealed to me. In addition to my interest in real estate, I was also intrigued by the flexibility and independence inherent in the profession. I was recently married and knew that children were soon to follow. I was looking to escape from the "9-to-5" work day that I had previously experienced. The variety of the day-to-day work also appealed to me – and to this day I enjoy the variety of working both in and out of the office, writing reports, performing financial analysis, inspecting properties and talking with other real estate professionals.

I was hired by Palmer, Groth and Pietka (now PGP Valuation Inc.) and began my training in January 1999. The birth of my first child 15 months later proved a test of my organizational skills as I began a flex schedule, working part-time from my home. This was earlier than either I or my employer had planned, but I succeeded in the flex environment. My second child was born in March 2004.

I continued to progress along my career path, obtaining my State certification in 2002. In mid-2008, I resigned my position with PGP Valuation Inc, and launched Storm Appraisal Services, LLC. The move



Karen J. Storm

to self-employment has been a positive experience and reinforced my initial outlook regarding the appraisal profession – that in addition to the appealing variety of the work, the flexibility would prove to be a good fit for my family and especially my children. I am now able to organize my work schedule around my children's schedules, while continuing to earn a respectable living.

Currently I am focused on developing my business. Obtaining the MAI designation is an important step in the realization of my goals. I plan to complete the education requirements by May 2010 with the completion of Course 550 (Advanced Applications), and to complete the demonstration report, peer review and comprehensive exam by the end of 2010. I look forward to the expansion of my client base and additional opportunities that the MAI designation affords. –Karen J. Storm

International Valuation Congress

By Beth Aquilizan, SRA

The AI held its International Valuation Congress in Cancun, Mexico November 11–13, 2009. At the joint Ten-Region Committee Meeting the following items of interest were brought forth:

- The 2010 proposed budget includes a dues increase of approximately 5%, and will fund additional spending for Government Relations lobbying efforts.
- National would like to hear specific examples anyone has of AMC's using incompetent appraisers (including those with geographic incompetency) in favor of local competent appraisers. These specific examples are necessary

to support the Institute's position that some AMC's have been seeking out "quick and cheap" rather than competency.

- Jim Amorin, MAI, SRA stated that Broker Price Opinion is THE issue for appraisers today and that it is going to be coming to the commercial sector.
- HR 1728 has been passed in the House. It prohibits the use of Broker Price Opinion in the mortgage origination process. 1 million BPO's are currently being performed monthly and leadership feels that appraisers have lost a huge source of business. National

is considering creating a "Restricted Use" Appraisal form that could be used for this purpose. The challenge is in finding a way for us to perform this service in a financially feasible way and that meets with USPAP requirements.

- A new National Service Center has been created for members with questions pertaining to education requirements and the path toward designation. It is open from 7am to 6pm Central Standard Time and can be reached at 1-888-7-JOIN AI. Questions can also be sent by e-mail to aiservice@appraisal-institute.org

David Fromme, MAI

February 3rd, 1927 - May 24th, 2009

Former Grants Pass resident, David William Fromme, age 82, of Bend, died Sunday, May 24, 2009 peacefully at his home. A graveside service was held Monday, June 1, 2009, at Eagle Point National Cemetery.

David was born February 3, 1927 in South Gate,



California to Carl and Margaret Fromme. He spent his youth in the Southern California area and later graduated from Claremont Men's College in 1950. David was a World War II veteran and an avid outdoorsman. He was a self-employed real estate appraiser in Medford, Oregon

for over 50 years. In 2006 David retired to Bend, Oregon.

David is survived by his loving wife of 40 years, Jo Ann Fromme; four daughters, Amy Fromme, Julia Fromme, Maggie Bowman and Jodi Herrling; two sons, Chris Fromme and Grant Bryant; 12 grandchildren; and seven great-grandchildren.

2010 Education: CE / QE / DE

The 2010 GOCAI Education Committee consists of co-chairs Aaron Krueger and Ernie Tischhauser, Owen Bartels, and Matthew Larrabee, MAI. While the best source of information is the Chapter website, which is being continually updated, some of the educational highlights for 2010 are shown below. We are also polling our members to see what other courses, especially residential continuing education, to add to the calendar, and are looking for suggestions for speakers at Chapter meetings.

CE: Continuing Education

Spring Residential Appraisal Conference
USPAP
Distressed Commercial Real Estate
Apartment Appraisal
Using Spreadsheet Programs – The Basics (C/R)

Residential Design: The Makings of a Good House
Introduction to Income Capitalization
ACO: Appraisal Curriculum Overview (Required for all Designated Members)
Condemnation Appraising

QE: Qualifying Education

75 Hour Trainee Package: Basic Principles (March & September)
Basic Procedures (March & October)
15 Hour USPAP (March & September)
Apartment Appraisal (C/R – check w/your state board)
Real Estate Finance / Statistics (C/R)
Market Analysis / Highest & Best Use (C)
Advanced Residential Applications
Advanced Residential Report Writing
Sales Comparison Approach (C)
Site Valuation / Cost Approach (C)
Income Approach – Part 1 (C)

DE: Designation Education

Advanced Applications
Advanced Residential Applications
Advanced Residential Report Writing

Scholarships – While assisting the Chapter will not guarantee a scholarship, it is our best way to get to know our associate members and to measure their commitment to the profession and the organization. It also increases the chances of recognition for those who do apply for our regular Chapter Scholarship and the Larry Ofner Memorial Scholarship.

Free Continuing Education – For the second year running, the Chapter will be providing the equivalent of one free chapter-sponsored 7 hour education event for all dues-paying GOCAI members. Contact Chapter Executive Director Vicki Champ for details.

Advertisement

Valligent is a nationally recognized leader in valuation quality and real property due diligence. We are currently experiencing tremendous growth. We are seeking experienced licensed and/or certified review appraisers in a number of states for our innovative valuation solutions and loan reconciliation services. Our tailored valuation solutions represent the most comprehensive review and collateral risk assessment tools available in the market. Our products provide lenders with a line of defense against appraisal fraud and inflated value conclusions on a nationwide basis, while easing the complexities of the collateral lending decision.

Qualifications:

- Candidates should have a minimum of five years appraisal experience, as well as two years experience with a national lender in the area of residential collateral due dili-

gence or residential review.

- Candidates must have extensive experience in desktop appraisal review, complex valuations, and familiarity with the intricacies of mortgage lending, especially in troubled or declining markets.

- Candidates must demonstrate organizational, analytical and research skills as well as the ability to conceptualize issues and develop complex processes, procedures and solutions with attention to detail.

- Candidates should have excellent written communication skills, as well as familiarity with Microsoft Excel.

We have multiple positions available, including full-time and part-time, contract and staff positions. No travel required. This is a work from home opportunity. Please attach resume for consideration and email to Melissa at mfairchild@valligent.com.

Membership Dues

For those of you who haven't joined the Appraisal Institute or have let your membership lapse, please think about joining. Membership dues are very reasonable, especially if you are an appraisal assistant or an associate. If you have already joined and want to become more involved with the Chapter, let us know.

If you are an Appraiser Assistant, you can join the AI for \$110 per year as a Trainee Associate member. Associate membership is also very reasonable at \$310 per year. Student affiliate dues (Real Estate majors) are about \$50 per year. Contact the chapter or national AI websites for more details.

APPRAISER NATION 2010

Terry Bernhardt JD, SRA

Out of the ashes of the housing bubble comes a glimmer of hope for appraisers to get their careers back on track. The Appraisal Management Company regulatory bill (HB 3624) has passed both houses of the Oregon Legislative Special Session by wide margins—58-2 in the house and 29-1 in the Senate.

Extreme kudos to the Appraiser's Coalition of Oregon. Several professional groups banded together to hire a lobbyist and attend hearings and buttonhole legislators. Our own Chuck Fisher, SRA, and Craig Zell, MAI, SRA helped edit the initial version of the bill. Roxanne Gillespie, MAI; John Pin, SRA; Wayne Richards, MAI, SRA; and Ralph Olson, MAI, SRA were instrumental in securing sponsorship and attending hearings. Thanks to all who called or wrote their legislators on our behalf.

The vote margins suggest our legislators understand the need to have

meaningful regulation, which will include lender pressure sanctions, fee-dispute resolution tools, and appraiser independence warranties.

The economy is still in a deep recession, but signs of thawing are showing. Rates are forecast to remain at historical lows, and construction inventories are shrinking. Barring a collapse of the commercial mortgage-backed securities market (CMBS) over the next year or two, we may see signs of stabilization and market activity by the end of this summer. Full recovery is expected to take up to several years. Truly, the business as we've known it is fundamentally changed.

This brings up an opportunity. By the time we see a meaningful economic recovery, an entire generation of appraisers will have retired; creating additional demand for professional appraisers, consultants, managers, and inspectors. Commit to using some of your "free" time to pursue and attain

education and experience leading to designations, certified licenses, and sub-specialty expertise. This is the only way to beat HVCC and the AMC's.

Your chapter is committed to offering an expanded slate of classes, experience review counseling and guidance. Please check the chapter website: www.oregonappraisers.org for details. David Gaab, MAI and Grant Norling, MAI are chapter Associate Guidance chairs for general appraisers. Terry Bernhardt, SRA assists residential appraisers. Aaron Brown, MAI is chapter Admissions Chair for advanced designation candidates. We are here to serve you.

Please note the SRA demonstration report alternative class is scheduled for June 2-8, 2010 in Tigard. The last class generated over 10 new SRA members. Get started on your experience review and you may be wearing that SRA pin by late summer.

AMC Legislation

Email Correspondence from Paul Hovey, Oregon State Representative

The following email correspondence was sent to Roxanne Gillespie via email:

Thank you for contacting my office regarding House Bill 3624, relating to the regulation of appraisal management companies. I appreciate the feedback and input I received from members of Oregon's appraisal community on the issues surrounding the Home Valuation Code of Conduct and the overall business practices of appraisal management companies.

I believe the legislation we passed provides some much needed oversight and standards over the appraisal management industry. The integrity of the appraisal industry is vital to our economy, and some of the practices of AMCs around the state were, in my opinion, undermining the industry. I know this legislation was not exactly what everyone (including myself) thought was ideal, but it is a positive step forward. Law is a dynamic process. I as-

sure you I will be following the rulemaking process and continuing conversation on this issue as well as developing recommendations for additional improvements to this legislation in 2011. I will also be working closely with the Appraiser Certification and Licensure Board and the Department of Consumer and Business Services to help implement HB 3624 and identify any problems that may arise.

I really appreciated the hard work, provided testimony and dedication of many individuals who advocated on this issue and helped me with the concepts and drafting of this legislation; we would not have been successful without those efforts. I'd like to thank the Appraisal Certification and Licensure Board, Bob Keith and Craig Zell, Roxanne Gillespie, Diane Forsberg, Laurie Egan and Elise Brown; plus a special thanks to Lana Butterfield who organized communications and saw this bill through

every step of the legislative process.

I hope you all continue your engagement on this issue, as your input is crucial to implementing and refining this legislation and bringing integrity back into the appraisal industry. Please don't hesitate to contact my office if I can be of further assistance on this, or any other issue.

Respectfully,

Paul Hovey

Oregon State Representative

District 8 - Eugene & Veneta

ADVERTISEMENTS

Office Space for Rent

Office space (120 – 700 SF) located on SE Mill Plain Boulevard in Vancouver. Currently one office is occupied by two residential appraisers. The remaining space is available for another appraiser(s). Location just west of the I-205 freeway provides easy access and includes a lighted sign that is visible to over 30,000 cars daily. Office has a small kitchen, shared conference room, plenty of onsite parking and storage space! Rent is negotiable from \$500 to \$1,500 depending on your needs. Call 360-600-7081 for more information.

Part-Time or Full-Time MAI Supervisor Wanted

Are you an accomplished MAI and want an experienced assistant with a college degree to make you more productive? There are only 500 experience hours remaining to complete my requirements for State Certified General. I am a Certified Residential Appraiser and have taken all of the state required General Certification classes through the Appraisal Institute. Part-time or full-time employment in commercial appraisal is acceptable so that I can continue to grow my career and work toward the MAI designation. I have experience working with various data services, a wide range of complex commercial property types, writing narrative reports from start to finish, and am confident with changing technology. Although my experience is extensive for an assistant, I recognize that there is much more to learn from your expertise. You will find that I am a willing student who will work hard to do things your way. I am open to employment opportunities beyond becoming Certified General. Please contact me if you are looking for someone who is an independent learner, easy to work with, and can make you money from the first assignment. I would be happy to send you a resume or speak with you personally. GaryKristensen@comcast.net or 503-781-5646.

Position available with Established MAI for a research support person. Related experience, college degree and excellent writing skills are required. This is a unique and challenging opportunity to be exposed to a broad range of technically demanding assignments as well as an opportunity to progressively move into an career appraisal position and earn the MAI designation. Please forward your resume with cover letter to Richard Herman MAI, CCIM at rick@rpherman.com.

THE APPRAISAL INSTITUTE AND GOCAI WANT YOU TO VOLUNTEER!



Would you like to be engaged and involved with your professional organization? Volunteer opportunities abound at both the national and regional levels. It is easy to get involved and make a difference in your profession.

The Appraisal Institute has a leadership resource registry on the web site. Member involvement and participation are vital to the Appraisal Institute and will play an even more critical role going forward. To enhance member involvement and participation, the Appraisal Institute needs to know more about your particular areas of interest, knowledge, and experience.

The leadership resource registry is just a few mouse clicks away.

1. Go to the Appraisal Institute web-site: www.appraisalinstitute.org
2. Log in as a member
3. Scroll down to "Get Involved" – lower middle of the page.
4. Click on "Get Involved".
5. Follow the registry, and you're done.

On a regional basis, volunteer opportunities with your local chapter are numerous and committee positions are available. Refer to the 2010 Chapter Governance Structure, as outlined at the back of your recently published 2010 GOCAI Directory. This will give you a brief outline of the committees available.

Several noteworthy opportunities are summarized below:

Newsletter

This publication is integral to staying connected with fellow chapter members and keeps us well informed of current affairs, such as the AMC regulation that was ushered in with the help of our Governmental Affairs Committee. The newsletter is an excellent choice for any of the creative types out there or for those who want to share an interesting viewpoint or pertinent story. Article submissions are always welcome.

**Newsletter Editor -
Katie Banz (kbanz@pvinc.us)**

Education and Seminars

This committee is a fantastic landing spot for any associate who is working toward certification and/or the MAI designation. You can have a hand in directing which courses are offered, and which instructors are hired. Enjoy Chapter socials? This committee also helps plan and carry out social events for our Chapter members.

**Education Chair –
Matthew Larrabee
(office@resginc.com)**

Governmental Affairs

It has been an exciting year, so far, for the Governmental Affairs Committee. This group has worked diligently alongside our lobbyist to help sway our State Representatives and Governor to adopt legislation that regulates the Appraisal Management Companies. There is more to be done, and this exciting, politically active committee would welcome your support.

**Government Affairs Chair –
Roxanne Gillespie
(Roxanne@gillespieinc.com)**

External Affairs/Public Relations

Do you have interest in promoting relationships between the Appraisal Institute and other appraisal groups? This is the committee for you. It is also a great position for someone interested in publicizing the activities and programs our chapter offers its members.

**External Affairs Chair –
David Goggin
(david@mullingandassociates.com)**

Please be involved, and know that you have an opportunity to be heard and to have an impact on your profession.

An amusing aside:

By Carl Stillman, ARA, MAI

Last fall I was charged to appraise about a dozen small privately held in-holdings (20 to 80 acres) within the Hart Mountain Antelope Refuge about 60 miles north-east of Lakeview, Oregon. I was glad for the opportunity since I had driven through the refuge and have appraised other properties in the vicinity over the years, but I had never explored the Refuge itself.

It is a starkly beautiful place. The



western edge of the 280,000 acre Refuge is formed by a thrust block that rises several thousand feet from the Warner Valley and then slopes off to the east toward Guano Slough. Scattered across the Refuge are small creeks and draws that support abundant wildlife, including the resident Pronghorn Antelope. Most of the

tracts I appraised were windswept parcels of open ground with marginal or no road access. The owners of these properties, for the most part, had never laid eyes on the land, having inherited it from parents, who had in turn inherited it from their parents. I emailed photographs to several of these owners who had never been to their property.

In the early days of settlement in Lakeview, a side benefit of buying a town lot from the railroad or land promoter was a 40 acre tract of grazing land on what would someday become the Refuge. Although the town lots have long since gone out of the original buyer's possession, the 40 acre grazing tracts on the Refuge tended to stay in the same ownership and were passed down through the generations.

Property taxes are only a few dollars a year so most owners just paid up.

I had to inspect one 20 acre tract on the side of a rim-rock cliff that was about two miles from the nearest dirt track. I parked the truck and set off cross country on foot with a hand-held GPS unit to guide the way. Just after leaving the truck

is started to snow. A stiff wind was driving the snow sideways making visibility about zero. Thanks to the GPS unit I was able to walk directly to the property without paying much attention to where I was going. I took a quick look around, a few requisite photos, and headed back to my rig – still in a wind-whipped snow storm that masked all landmarks and points of reference. With the GPS it wasn't too difficult until the batteries crapped out. There I was, in the middle of a white landscape with only a vague idea of where I had come from and my 21st century crutch was gone. I warmed up the GPS by cupping it in my hands and got enough battery juice to turn it on and fix a heading. I turned it off and walked about 10 minutes in that direction before once again warming up the unit and getting it to stay on long enough to put me on the map with reference to my truck. I went through that process a couple more times before stumbling onto the dirt track where I had left the truck, which fortunately had enough gas to get back to Lakeview.

Interestingly, the chief arena for buying and selling smaller remote tracts in the Oregon outback is the internet. You can have your 40 acre piece of the rock for about \$8,000, but if you ever want to visit it might be hard to find!

Congratulations!

After years of hard work, please help us in congratulating our newly designated members.

New 2009/2010 Designees:

Jasen D. Hansen, MAI

Duncan & Brown, Inc.

jasen@duncanbrown.com

Hillary Huefner, MAI

CJM Investment Property Advisors

cjimportland@cjmadvors.com

W. Grant Norling, MAI

FirstService PGP Valuation

Grant.norling@firstservicepgp.com

Brent A. Johnson, SRA

Interstate Appraisal Corp., Inc.

brent@interstateappraisalinc.com

Kenneth L. Davis, Sr. MAI, SRA

Davis RE Appraisal & Consulting Services, Inc.

Das98632@comcast.net

Pamela J. Mann, SRA

Mann & Associates Appraisal Services, LLC

mannappraisals@oregonfast.net

Bryan S. Wells, MAI

Totten & Company

bryanwells@qwestoffice.net



Bob Keith, Administrator, ACLB and Stephanie Coleman, MAI, SRA, discuss the latest 2010-2011 USPAP at a recent Business Practices & Ethics class in Tigard.

Residential Spring Conference April 28-30, 2010 21 — Total Hours of Continuing Education

The residential appraisal community is invited to the Greater Oregon Chapter Spring Residential Appraisal Conference. This is your chance to explore current issues in residential appraisal practice with your peers. The goal of the conference is to present information that will assist you each and every day. Another goal of the three day event is to involve you in a discussion of many aspects of residential appraisal practice of current interest.

Wednesday the 28th will feature the seminar “Quality Assurance in Residential Appraisals” led by Sara F. Schwarzentraub, SRA. This unique new seminar is designed to present to residential appraisal practitioners and those interested in residential appraisal practice consistent problems found by underwriters, appraisal reviewers, quality control divisions, and fraud investigators.

Thursday the 29th will feature a two part seminar with the morning devoted to a discussion of the “State of Regulation” and

the afternoon to the “State of Residential Practice.” It is hosted by Wayne Richards, MAI, SRA.

For the morning session, Bob Keith, Administrator of the Oregon Appraiser Certification and Licensure Board accompanied by a representative of the Department of Consumer and Business Services, the agency responsible for the implementation of Appraisal Management Company legislation, will explore current regulatory topics. These will include Oregon AMC regulation and what it means to appraisers, pending Federal legislation and how it could affect appraisers and AMC’s, and the complaint process.

For the afternoon session, a panel, moderated by Wayne Richards MAI, SRA will explore hands-on residential appraisal practice topics.

Beth Aquilizan, SRA will look at current residential practices including unintended consequences of the Home Valuation Code of Conduct.

Ann O’Rourke MAI, SRA of Ann

O’Rourke and Associates will present her take on local and national happenings and how residential appraisers can address the challenges of the day.

Eric Wiley, Chief Operating Officer of Pacific Residential Mortgage, LLC comments will include his observations regarding independence and customer service, lender risk, and the national AMC experience as compared to the local AMC experience.

Peter Christenson, General Council for Liability Administrators will talk about what every appraiser should know about current trends in appraiser liability.

Friday the 30th will feature a 2010-11 7-hr USPAP Update. No matter if your practice is strictly residential or includes other property types, Uniform Standards of Professional Appraisal Practice underlies all. Join Chuck Fisher, SRA for this timely USPAP Update as we examine the appraiser’s responsibility to protect the overall public trust.

AI President Featured on In-Flight Radio Show Sellers’ Interview to Reach 10.5 Million Travelers

CHICAGO (March 1, 2010) – Appraisal Institute President Leslie Sellers, MAI, SRA, is currently being featured on Delta Air Lines’ and US Airways’ in-flight talk radio show “The Innovators,” which is expected to reach 10.5 million travelers during March and April.

In an interview with former CNN anchor Dennis Michael, Sellers talks about the role appraisers play in the sale of a home, appraisers’ experience, education and other qualifications, and what the Appraisal Institute is and does.

“The Innovators” will air on 44,000 Delta and US Airways flights during March and April. Sellers’ appearance also is listed in Delta Sky Magazine and US Airways Magazine.

Visit <http://www.appraisalinstitute.org/> to listen to the radio show.

Appraisal Institute Releases First Audio Book ‘Scope of Work’ Available for Download, on CD

The Appraisal Institute has published its first audio book. “Scope of Work” by Stephanie Coleman, MAI, SRA, is intended to help appraisers meet the competency and ethical standards of the profession.

The scope of work concept, which is central to the Uniform Standards of Professional Appraisal Standards, gives appraisers the flexibility to meet the needs of their clients. Misuse of the scope of work concept can be disastrous, but an appraiser who knows how to tailor each assignment to the circumstances of the appraisal can enjoy increased security, opportunity and success.

Stephanie Coleman, MAI, SRA, is the director of screening for the Appraisal Institute. She has more than 30 years of experience in the property valuation field and has been actively involved with the Appraisal Institute in the areas of appraisal standards, ethics and counseling, education, and publications. She is the author of “Under-

standing Limited Appraisals and Appraisal Reporting Options,” published by the Appraisal Institute in 1994, and co-developed a seminar by the same name. She was involved in the development of the Appraisal Institute’s “Scope of Work” seminar. Coleman is a past member of the Appraisal Standards Board of The Appraisal Foundation, the body responsible for developing and interpreting the Uniform Standards of Professional Appraisal Practice. She is an Appraiser Qualifications Board-approved USPAP instructor and is actively engaged in teaching classes on USPAP throughout the United States.

“Scope of Work” (stock no. 0733M) is available for download or on CDs. Downloads cost \$15 for members and \$20 for non-members; CDs cost \$30 for members and \$35 for non-members (includes shipping). To order, go to www.appraisalinstitute.org/ScopeofWork, or call 1-888-7JOI-NAI (888-756-4624).

Recent Appraisal Institute Statistics

Have you ever wondered who makes up the Appraisal Institute? Where do you fit in the big picture? The following statistics were provided in the Region 1 Meeting that was held in San Francisco on March 27, 2010. The information is reflective of 2009 data.

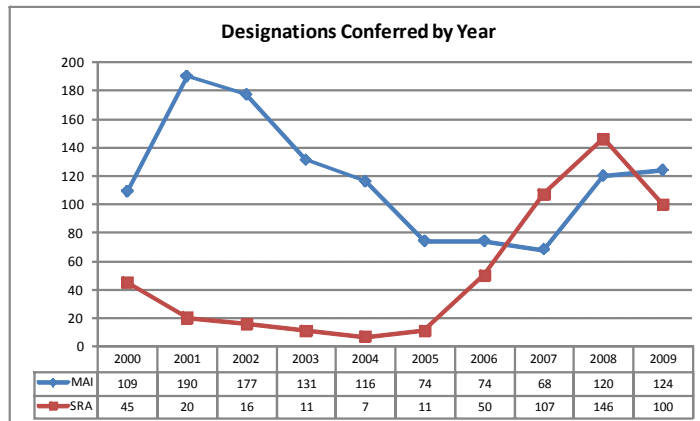
Member Demographics

- Median age is 51
- 83% have at least a 4-year college degree
- 18% are female
- 7% are ethnic minorities
- 60% are commercial property oriented
- 40% are residential property oriented
- 44% have been members for 20+ years
- 36% make more than \$100k per year
- Designated members benefit from income that is 40% higher than non-designated members

2009 Membership Figures

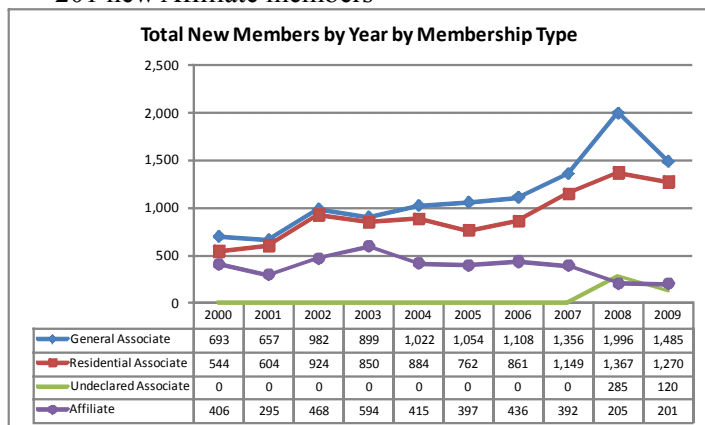
- 25,442 total members
- 3,076 new members in 2009
- 2,875 new Associate members
- 201 new Affiliate members

Of new associates, two-thirds will resign their membership within the first two to three years.
 124 new MAI designations in 2009
 100 new SRA designations in 2009



Membership Satisfaction

- 84% of new members are satisfied with their membership in AI
- 88% of new members are satisfied with service they receive from National and chapters
- 77% of new members rate their overall experience since joining AI as "good" or "excellent"



President Roxanne R. Gillespie, MAI performing the OSU school song with the a cappella group Outspoken at the installation banquet 2010



Installation Banquet 2010

Changing MAI Education Requirements

Attention General Associate Members pursuing MAI membership and advanced education credit, the **MAI education requirements are changing!**

The courses outlined below have or will be changed in the near future. The following information summarizes the MAI Designated membership path and explains how the new advanced education will fit in.

Please note: General Appraiser Market Analysis & HBU may be used as the equivalent to Advanced Market Analysis only UNTIL the new Advanced Market Analysis is released (September 2010). At that time, General Appraiser Market Analysis & HBU will no longer be allowed for equivalency credit toward advanced MAI education.

Course 510: Advanced Income Capitalization (will retire November 2010). Its equivalent will be:

- NEW Advanced Income Approach (will be released November 2010)

Course 520: Market Analysis and H&BU (RETIRED). The current equivalent is General Market Analysis and H&BU. When the new Advanced Market Analysis is released in September 2010, it

will then be required.

- NEW Advanced Market Analysis (will be released and required September 2010)

Course 530: Advanced Sales Comparison and Cost Approach (will retire in 2011). Its new equivalent will be:

- NEW Advanced Concepts & Case Studies (will be released March 2011)

Course 540: Report Writing and Valuation Analysis. This class is still available and is a requirement for MAI designation; however, it will possibly be retired in the near future. An exact retire-

ment date is not yet available. The required equivalent will be:

- General Appraiser Report Writing & Case Studies (currently available).

Course 550: Advanced Applications (will retire in 2011). Its partial equivalent will be:

- NEW Advanced Concepts & Case Studies (will be released March 2011)

Additionally, a NEW course titled **Quantitative Analysis** will be released in 2012. This course will be required when available.

In the next issue...

Are there questions that you would like to ask review appraisers and/or chief appraisers about the banking side of the equation? For example, how do lenders define Liquidation Value and how should it be reported? When is it okay to use a hypothetical condition in an appraisal used for lending purposes? In the next issue, we will present some of these questions, as

well as responses from several respected review appraisers and chief appraisers from our region. Please email your questions, comments, or suggestions to Ken Davis, MAI, SRA, ASA at Ken.Davis@sterlingsavings.com or Katie Banz at kbanz@pvinc.us. Now is your chance to get the answers to your questions!

Can I Get a Witness?

By Brian Brooks

I am not struck so much by the diversity of testimony as by the many-sidedness of truth -Stanley Baldwin

What property should I appraise? What is the date of value? What is the definition of value? These are appraisal questions that appraisers answer, right? No, not if your assignment is for legal purposes; they then become legal questions that your attorney-client answers. Many of us that perform appraisals for mortgage lending will have these assumptions challenged and turned upside-down by the terrific litigation classes offered by the Appraisal Institute.

Upon taking and passing the tests for The Appraiser as an Expert Witness: Preparation and Testimony, Litigation Appraising: Specialized Topics and Applications, and Condemnation Appraising: Principles & Applications, designated members can request a certificate from national and be put on a Certificate Registry that is found on the national website. Of course, anybody can take the classes at any time but you must be designated to get the certificate. If you take and pass all three classes

and then later become designated you can still get the certificate and be listed on national's website.

Nationwide, 101 designated members have the certificate. But currently there are no certificate holders from Oregon and only one from Washington. Florida and California have the most certificate holders, 28% and 19%, respectively. This may be a function of where the classes are commonly held. Stephen D. Roach, MAI, from San Diego, CA. will be teaching Condemnation Appraising: Principles and Applications, which the Oregon Chapter is hosting December 8-10, 2010 in Tigard, OR. Steve is an excellent teacher: bright, experienced, entertaining and informative. He is sure to mention that Tigard is the home of the Dolan v. Tigard lawsuit that made its way to the Supreme Court in 1993. Steve will certainly share how this case applies to us as appraisers, as well as adding a humorous digression of how the battle is still being waged on a farcical basis.

Steve taught the Litigation Appraising: Specialized Topics and Applications course

that I attended in Kent, Washington earlier this year. The night before class I was reading an Appraisal Journal article about how a particular judge preferred regression analysis instead of paired sales. Like many of the Journal's articles it seemed to be written by a team of PhDs and had more footnotes than the county morgue. The next day in class he mentioned two court cases that appraisers, as expert witnesses, should familiarize themselves with: Daubert v. Merrell Dow Pharmaceuticals and Kumho Tire Company v. Carmichael. Coincidentally, these two cases were mentioned in the article that I read the previous night. The class and Steve's instructions turned a Journal article that was abstract and slightly obtuse into practical appraisal insight for future reference.

To be sure, this is a topic that is a source of endless debate amongst appraisers. As members of the Greater Oregon Chapter, we can begin by catching up to Florida and California, with more of our members obtaining the litigation certificate. I hope to see you in class!

2010 Greater Oregon Chapter Governance

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Meeting and Class Schedule 2010

April 28-30	Residential Spring Conference (21 hours)
April 28	Quality Assurance in Residential Appraisers(7 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
April 29	The State of Appraiser Regulation and Residential Appraisal Practice(7 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
April 30	7-Hour National USPAP Update Course(7 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
May 3-8	Advanced Applications(40 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
May 13	Using Spreadsheet Programs in Real Estate Appraisals(7 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
May 14	Valuation by comparison: Residential Analysis and Logic(7 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
May 17-18	Real Estate finance and Statistics(15 hours) George Fox University, Portland Campus, 12753 SW 68 th Avenue, Portland, OR.
May 19-22	General Appraiser: Market Analysis and Highest and Best Use(30 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
June 2-8	<u>45 Hour SRA Package</u>
June 2-3	Advanced Residential Case Studies, Part 1 The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
June 4-5, 7-8	Advanced Residential Report Writing, Part 2 The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
June 30	Residential Design: The Makings of a Good House(7 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
August 5	GOCAI Board Meeting The Century Hotel, 8185 Tualatin-Sherwood Road, Tualatin, OR.
September 13	Strecker Memorial Golf Tournament Rock Creek Country Club, 5100 NW Neakahnie Avenue, Portland,OR
September 17	7-Hour National USPAP Update Course The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
September 21-October 2	<u>75 Hour Training Package</u>
September 21-24	Basic Appraisal Principles(30 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
September 27-28	15-Hour National USPAP Course The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
September 29-October 2	Basic Appraisal Procedures(30 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
October 5-8	General Appraiser Sales Comparison Approach(30 hours) The Phoenix Inn & Suites,9575 SW Locust Street, Tigard, OR.
October 7	GOCAI Board Meeting

For a complete schedule of upcoming events, see our online calendar: <http://www.oregonappraisers.org/event.html>

**The Greater Oregon Chapter
of the Appraisal Institute**
PO Box 573, OR 97308-0573
ph: 503-316-1979 - Fax: 503-364-1456
www.oregonappraisers.org
aioregon@oregonappraisers.org
Field Notes articles to
the above email address



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