April 2013 Field Notes

Dear Vicki,

Message from the President:
Ryan S. Prusse, MAI
2013 Chapter President

With the culmination of 2012 and now three months into 2013, it is my pleasure to ascend to the office of President for GOCAI. Presiding over our outstanding Board and representing the vast residential and general membership region-wide is truly an honor. I appreciate the opportunity bestowed upon me by my predecessors and hope to follow in their footsteps via fiscal soundness, political proactivity/reactivity, and membership retention/growth.

Though we tell her every quarter at our Board meetings, it never goes without saying: Many thanks to Vicki Champ for assisting each of our leadership positions with resources of experience, knowledge, professionalism and diligence. Having attended the Chapter Leadership program with Vicki at the last AI annual meeting in San Diego, I now appreciate more than ever all she does for our organization and its members. I can honestly say that I would never have agreed to serve without such a valuable/capable partner.

As I strung together notes for this Newsletter piece, I would be remiss in not applauding our membership for weathering the unfortunate economics and consequential challenging business climate of the 2008-11 period. We should all feel fortunate for being in the profession of appraisal, particularly as we’ve sympathetically watched the demise of so many mortgage brokers, construction companies, development entities, title personnel, loan originators, brokers/realtors and a whole lot of asset equity.

The resilience of our members and their undying devotion to serve the public trust in the form impartiality, independence and professionalism will preserve our industry's relevance through any and all economic bubbles. Having experienced a devastating declining market has armed our members with more tools and perspectives to deliver useful/vital information to our wide array of business clientele. Though some of the market(s) have a long way to go in terms of recovering from employment and demand levels of the pre-recession period, many believe that a bottom was reached quite some time ago and the prospects of new construction/development are positive moving forward. On this basis, I believe that it is a very
good time to be a newcomer in the industry and as a Chapter we are welcoming the next generation via qualifying education offerings, Candidate for Designation (CFD) support and regularly-scheduled Chapter functions for 2013.

After less than a year in place, the CFD program has already reaped significant rewards for our Chapter. During our Installation event, several new members were granted Designations after successfully completing the stream-lined Demonstration Report program which was once a primary obstacle to many. A growing list of member Mentors is set to be teamed with the considerable number of Candidates already signed up. A Chapter-sponsored event or two will be held in 2013 to aid in these important pairings. We are also excited about the AI’s new Review Designation, which is expected to capture a wider segment of Candidates from both the government and mortgage lending sectors. We continue to reach out to all Oregon and Washington appraisers possessing the commitment to join our Chapter via Membership, Candidate or Affiliate status. Relationships cultivated at the university level and deep entrenchment within the most established valuation firms in the Northwest will attract the best and brightest among those choosing real property appraisal as a bona fide profession moving forward.

Member Spotlight: Ryan S. Prusse, MAI

I moved to Oregon in the 4th grade from Houston TX (parents still live in Boring, Oregon), attended Sam Barlow high school, then Willamette University

- What is your "appraiser story?" (How did you end up becoming an appraiser?) and what do you enjoy most about your job?
  I was fortunate during my Jr. year in college (1990) that Spence Powell and Darr Goss were willing to have an intern at their Salem firm. After an interview where I probably answered no questions right, they hired me and even paid me an hourly wage. Following several months of undistinguished service, I was allowed to stay on full-time during the summer and continue as an intern for the next school year as well.

  Compared to mostly manual labor jobs until that point, I was in heaven driving around getting lost and spending hours typing information into the early versions of word processing programs. Numbered/pasted alot of photos, learned to despise the recurring need for a copy machine repair guy and became an expert with the binding machine.

  After assembling (and reading) a whole lot of reports during the early 1990s, I gained the confidence and experience to take on whole assignments under the tutelage of the MAI partners. In short, I typed fast, cut & paste probably too much, didn't proof-read enough and was driven to make a name for myself. Exposure to varying property types, geographies and report types definitely suits my short attention span. I earned my MAI designation in late 1994 and it has never left my wall.

  I got to work with and manage a whole lot of smart and conscientious appraisers at that job; many of whom left in time to become very successful elsewhere. I transitioned to the firm's office in Portland in 1996 and have been up here ever since. My firm RSP & Associates LLC originated in 1998 and this year marks our 15th. I've appraised an extremely wide-array of properties in 7 different states for mostly lending work; however, expert witness testimony, IRS valuation support and litigation resolution are also common.

- What kinds of non-appraisal things do you like to do? (hobbies, travels, etc.)
Between my wife & I, we have 6 kids all active in school, sports, social, spending money and complaining; so not working is not often enough an option. We got to go to Europe this summer, and regularly get to Hawaii/Mexico during the cold/wet months. I enjoy coaching and watching sports.

- Favorite things list:

a. Favorite food: Mexican/Japanese

b. Favorite kind of music: 1980s rock & all types of country

c. Favorite sports team: none

d. Favorite place to visit: Hawaii (Maui)

e. Favorite movie or book: I'd much rather "watch the movie" than "read the book." Probably read only one book a year.

f. Favorite quote: It would probably come from a Will Ferrell or Steve Carrell comedy, and therefore, not appropriate for this article.

- What would be your first choice for a second career?

Five years ago, if I was able to start all over again, I would have chosen to be a commercial broker or developer. However, now I am not so sure. I feel I am very very fortunate with my career choice.

A Sad Goodbye

Harry B. Holzhauer, MAI, SRA, was tragically killed in a boating accident in San Francisco, California on Saturday, February 16, 2013. He was in San Francisco teaching an appraisal class for the Northern California Chapter of the Appraisal Institute.

Harry had been a Commercial and Residential Real Estate Appraiser since 1978, originally based in Los Angeles, California, and later working in Florida and Seattle, Washington, before joining Integra Realty Resources - Portland nine months ago as Director, Litigation Services. Harry specialized in appraisals of properties undergoing condemnation and other types of litigation. He developed and taught appraisal courses throughout the country and was a recognized leader in the industry.

Harry moved to Portland, Oregon to be near his family. Harry's son Tim Holzhauer is an appraiser with Fish and Wildlife, and Tim's wife, Colene, is an appraiser with RP Herman & Associates in Portland, OR. His other son, Jeff, and Jeff's wife, Donna, live in Seattle, Washington. Harry is survived by his wife, Mary, and by six grandchildren. He was a dedicated family man and was always looking to give back to his profession by educating the younger folk. He will be greatly missed.

Harry was a dedicated educator. If you would like to make a donation in Harry's name please send a check to the Appraisal Institute Education Trust at the Appraisal Institute, 200 W. Madison Street, Ste. 1500, Chicago IL. 60606. On the memo line indicate "in honor of Harry Holzhauer, MAI, SRA"

Recently Designated Members:

Congratulations to the following recently designated members of our chapter.
Jonathan B. Banz, MAI

Where did you grow up? Where did you go to school? How did you end up in Salem?

I grew up in the Kent/Renton area of Washington State but I went to Linfield for college where I happened to meet my wife who just happened to be Spence Powell's daughter. We lived up in Washington for a few years after we got married but Katie really wanted to get back down to Oregon. Due to the events of 9/11 we were both laid off from Boeing and eventually decided (desperately) to give appraising a try. I think I might stick with it.

What kinds of non-appraisal things do you like to do? (hobbies, travels, etc.) Listening to music, playing with my dogs and videogames (when I have time).

Favorite things list:

- Favorite food: Pizza, though I rarely eat it, Ahi Tuna, Sushi & Calamari
- Favorite kind of music: New. Also indie & electronic.
- Favorite place to visit: Europe, Yachats, Neskowin
- Favorite movie or book: These two couldn't be more different but they have really stuck with me over the last couple of years; Blood Meridian by Cormac McCarthy and Beautiful Ruins by Jess Walter. Also, The Big Lebowski and Kubrick's filmography.
- Favorite quote: "I have the simplest of tastes, I am always satisfied with the best." - Oscar Wilde, "#$% Dude, let's go bowling." - Walter Sobchak, The Big Lebowski.

What would be your first choice for a second career? Recording engineer.

What advice would you give to someone who is currently working toward designation? Are you persistent?

Owen E. Bartels, MAI

Where did you grow up? Where did go to school? How did you end up in Portland?

I grew up in Portland, and after trying out the east coast and Seattle areas ended up back here. It must be the weather.

What is your “appraiser story?” (How did you end up becoming an appraiser?) and what do you enjoy most about your job?

Unlike so many appraisers, my answer is uninteresting: I became an appraiser on purpose. I worked part time while in college doing financial analysis and pricing projections under Linn Larson, at the time an industrial broker for the Tacoma office of Kidder Mathews. Linn advised me, as graduation neared, to look for a trainee position. After searches in Seattle and Portland I was offered a position in the Vancouver office of PGP and have been appraising since. What I most enjoy about the profession and my role within it has been the constant opportunity to learn and to problem-solve. Complexity of both properties and problems keeps me engaged and interested.

What kinds of non-appraisal things do you like to do? (hobbies, travels, etc.)

I think I’m very much a Portland cliché. I raise a year-round vegetable garden and have a few chickens in the yard, love to bike and to hike, and when I can find the time in the winter I enjoy a skiing or snowboarding trip. I have a little sailboat I'm constantly looking for occasion to use in the summers. Though not a Duck myself, I married into a third generation University of Oregon family, which came with the benefit of football tickets. I also try to make a point to go somewhere sunny every winter to escape the gray skies.

Favorite things list:
Favorite food: An impossible question to answer with so much good foot about. I love it all!
Favorite sports team: Go Ducks!
Favorite place to visit: My Brother, sister in law, and nephew live in the DC area, so I'm going to put that atop my list but have to admit I liked visiting even more when they used to live in the Virgin Islands.
Favorite movie or book: The 13th edition of The Appraisal of Real Estate, of course!

What would be your first choice for a second career?
Appraisal is my passion. There's nothing I'd rather be doing!

What advice would you give to someone who is currently working toward designation?
Don't be daunted by the task, and don't be swayed by the complainers. If you let it be, it's a very rewarding experience. This may be the only time you have a reason to fully explore the interrelatedness of the three approaches and of the market in relation to individual properties. Take full advantage. I'd also like to pass along some advice I received from a respected colleague that got me through the demo, though; "Sometimes you've gotta know when to say "fudge" it, it's good enough,' and hit send."

Kathleen E. Buono, MAI

Where did you grow up? Where did you go to school? How did you end up in Portland?
Portland native. My parents still live in the house we moved to when I was six months old.

What is your "appraiser story?" (How did you end up becoming an appraiser?) and what do you enjoy most about your job?
I was in my last year of college and wanted to expand my resume beyond the restaurant business. I grew up down the block from Jerry Curtis, who owned an appraisal firm, Curtis-Slocum, Inc. I approached Jerry and offered to work for free as an "intern" over the summer. I interviewed with Jerry and his partners, and they hired me as a summer intern/trainee (they were nice enough to also pay me). I worked that summer, and over the following Christmas break, writing the front-half of reports (neighborhoods, neighborhoods, neighborhoods...sigh). When I graduated, Curtis-Slocum, Inc. offered me a permanent position as an appraiser trainee. I enjoy the variety. It is never the same job twice, even if it is an identical building immediately adjacent to one you've already appraised.

Favorite things list:
- Favorite food: Any food shared with friends and family.
- Favorite kind of music: I have pretty eclectic musical tastes, but lean toward rock.
- Favorite sports team: Not much of a sports fan... Definitely a Duck Football fan though.
- Favorite place to visit: Rome is my favorite, so far. I'd love to travel more and find another favorite.
- Favorite movie or book: I read a lot of fiction - but right now I am a bit addicted to David Sedaris. My favorite novels include Straight Man by Richard Russo (hysterical); A Confederacy of Dunces by John Kennedy Toole (also hysterical) and pretty much anything by Ian McEwan. I don't often read travelogues, but Driving over Lemons by Chris Stewart is another all-time favorite read.
- Favorite quote: Luck is a matter of preparation meeting opportunity - Lucius Annaeus Seneca.

What would be your first choice for a second career?
Food writer

What advice would you give to someone who is currently working toward designation?
Don't the demonstration report stand in your way. It is a very difficult challenge, but doable. If you are going to write a traditional demo -- Allot yourself a specific amount of time to complete it (one to two months) and use weekly goals to make it seem less daunting. If you have been wanting to complete your demo, but haven't been able to find a data set and subject property - I highly recommend the Capstone Program.
**Jason Chin, MAI**

Where did you grow up? Where did you go to school? How did you end up in Portland?
I grew up in Vancouver, Washington and Salem, Oregon, and attended the University of Oregon. I had worked for an appraisal firm for three years in Salem before transferring to its Portland office.

What is your "appraiser story?" (How did you end up becoming an appraiser?) and what do you enjoy most about your job?
My college education focused on biology and chemistry, and after college I had been working in a lab testing human fecal matter, among other things, while I decided if I wanted to pursue additional education. When I decided I didn't want to go back to school and wanted a "cleaner" job, commercial appraising was presented to me. At the least it was a cleaner environment, and I ended up staying with it ever since. What I enjoy most is that I'm completely independent and work for only my clients, I basically solve a problem(s) and present that to them, and I provide them with a product I'm proud to stand behind.

What kinds of non-appraisal things do you like to do? (hobbies, travels, etc.)
Being fit and active, dinners and drinks with friends, live sporting events, movies, getting out of the city for a weekend, social events, some traveling, enjoying a newspaper or magazine at a coffee shop...

Favorite things list:
- Favorite food: A great steak (free range of course) or excellent sushi
- Favorite kind of music: Anything from alternative to modern "pop" to 80s
- Favorite sports team: University of Oregon Ducks football team
- Favorite place to visit: A place with a blue, sunny sky, white sand, and warm ocean water
- Favorite quote: "Knowledge is power"

What would be your first choice for a second career?
This one requires some contemplation, probably something leisurely that one could never get paid to do.

What advice would you give to someone who is currently working toward designation?
Make a plan/timeline and try to stick to it, and just crack away at the requirements. The biggest obstacle is the time commitment.

**Jo Ellen Jarvis, MAI, SRA**

Where did you grow up? Where did you go to school? How did you end up in Portland?
I grew up in east Texas and went to College at the University of Texas in Austin. I graduated with a degree in Finance and Economics in 1988, just when all the S&L's went under. I managed to get a job as a researcher with an SRA appraiser that was working towards his MAI. Great start for an appraiser. But, I got married a year later and moved to Portland. I got very lucky again, and got a job as a researcher with an MAI in town. Moved up from there. I've enjoyed the diversity that appraisal has offered me over the years. I've gotten to work with lenders, attorneys, government agencies, given expert testimony, and most of that time through a home office with my dog at my feet and my cat walking crossing my keyboard. I have two great assistants that keep the office full of life.

What kinds of non-appraisal things do you like to do? (hobbies, travels, etc.)
My advocation is competitive ballroom dancing with my husband, as well as a bit of yoga (hot is the best).

What would be your first choice for a second career?
Let's see: dancer or cake decorator (tough choice)

What advice would you give to someone who is currently working toward designation?
There are only a few people that choose the harder path. It makes it very easy to stand out.
Where did you grow up? Where did you go to school? How did you end up in Portland?
I grew up in a quaint northern California outpost known as Redding, California. After graduating high school, I moved to Salem, Oregon to attend Willamette University. It was here that I found a job, purchased a home, and found the girl of my dreams, so I stuck around.

What is your "appraiser story?" (How did you end up becoming an appraiser?) and what do you enjoy most about your job?
I was introduced to Spencer Powell, MAI and Shirley Layne of Powell Valuation by a professor during my senior year at Willamette University. I spent several months at this firm as an intern and despite a bad haircut and all the humility of a 20-something college know-it-all, was lucky enough to be hired on shortly thereafter as an appraiser assistant.
I trained under Spence for several years before moving on to the arena of health care appraising under James and Aaron Brown.

The best part of appraising is that it's never too dull because there is always a new assignment around the corner. I am also particularly suited for appraising because I like gathering data, pouring over numbers and facts, and trying to simplify it all into a single number. It's an interesting (and sometimes rewarding) process.

What kinds of non-appraisal things do you like to do? (hobbies, travels, etc.)
In recent years, I have become an avid runner and now have several half and full marathons under my belt. I also enjoy reading, brewing my own beer, travelling, sports and spending time with my wife and dog.

Favorite things list:
- Favorite food: It's hard to beat a good medium rare steak.
- Favorite kind of music: Check my iTunes and you'll find a diverse collection, but I'm mostly partial to classic rock.
- Favorite sports team: Boston Red Sox and Portland Trailblazers
- Favorite place to visit: Although I haven't spent as much time there as I'd like, Europe is quite amazing
- Favorite movie or book: The Godfather, and it's not particularly close.
- Favorite quote: "If you can't explain it simply, you don't understand it well enough." Albert Einstein

What would be your first choice for a second career?
I'd like to try my hand as a brewer.

What advice would you give to someone who is currently working toward designation?
You have the ability, practical knowledge, and experience necessary to complete your designation. All it takes is the drive and willpower to complete the coursework, demonstration report and comprehensive examination. While these final hurdles are challenging, the professional benefits are well worth it, not to mention the personal satisfaction of knowing that you have completed a monumental task that puts you at the absolute pinnacle of your chosen field.
**Kurt K. Plaster, MAI**

Where did you grow up? Where did you go to school? How did you end up in Portland?

I was born and raised in Spokane, Washington, and then I went to college at Brigham Young University. After graduation I always wanted to end up somewhere in the northwest. I had family in Portland and I ended up interviewing for an appraiser assistant job with Ryan Prusse and the rest is history.

What kinds of non-appraisal things do you like to do? (hobbies, travels, etc.)

I enjoy the outdoors and traveling/exploring new places. I love biking, hiking and exploring the trails and areas that Oregon and Washington have to offer. I'm also a sports fan and enjoy watching my favorite teams.

What would be your first choice for a second career?

Some kind of job at Costco (maybe the greeter)..... I love that place.

What advice would you give to someone who is currently working toward designation?

Keep chipping away at it. Break it down into several steps/stages and it becomes more manageable.

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**T. Chad Plaster, MAI**

Where did you grow up? Where did you go to school? How did you end up in Portland?

I grew up in Spokane, Washington and got a bachelor's degree from UW in Seattle, before going to law school at Lewis & Clark College in Portland.

What is your "appraiser story?" (How did you end up becoming an appraiser?) and what do you enjoy most about your job?

After law school, I practiced law in a medium-sized law firm in Portland for ten years doing primarily commercial and real estate litigation work. I found the legal world to be high-stress with low satisfaction, so I began exploring ideas for a second career. Growing up, my mother was a residential mortgage loan officer and I would often hear her talking about appraisals and I had always thought that sounded like interesting work. I had also been involved in litigation assignments that involved appraisals and after reading a few narrative reports, I decided to look into what it would take for me to make a change. I invited a few appraisers that I knew, and a few that I had introduced myself to, out for some informational interviews and ultimately decided to take a leap of faith. It was the scariest decision I have ever made.

That was a little more than six years ago. Although I can't say it has always been smooth sailing, one thing that has been of great help in this process is that my brother, Kurt Plaster, joined me on this journey. We pushed each other every step of the way and I'm proud to say that we both earned our designations at the same time. I couldn't have reached this goal as quickly as I did, without the help and encouragement of many people, including my wife and son, my two brothers, my parents, many friends, and those with whom I work. I really enjoy the challenges and work involved in my second profession and am looking forward to networking with more of the Chapter members and making a larger contribution as a designated member.
Where did you grow up? Where did you go to school? How did you end up in Portland?

I was raised in Northern California, in Sacramento, and attended the University of Southern California. One of the great things about valuation is the ability to live wherever you desire. In 2001, I desired to move from the scorching heat in the Sacramento Valley, and picked Portland as an excellent city to live in.

What is your "appraiser story?" (How did you end up becoming an appraiser?) and what do you enjoy most about your job?

I took a college appraisal course, which consisted of the introductory courses for residential and income property appraisal. While taking the course, I sensed that appraisal would be interesting as a career. So, I gave it a go and landed an appraisal position. I have always kept at least one foot in appraisal. Even as I spent years as a commercial broker, I wrote appraisals on most weekends. It's hard to pass up those checks in the mail! I have been writing commercial appraisals full-time, at PGP and CBRE, since moving to Portland in 2001. One can become a Master at this profession, when the enjoyment of a challenge may seem absent. However, the commercial real estate market is ever-changing. So, I enjoy that there is always the challenge to stay abreast of current market conditions.

Favorite things list:
- Favorite food: I enjoy most food, but a good steak, baked potato and a salad is still my favorite.
- Favorite kind of music: Led Zeppelin, Stevie Ray Vaughn and any other Rock 'n' Roll/Bluesy riffs.
- Favorite place to visit: Maui. The most relaxing place I have ever visited.
- Favorite Sports Team: San Francisco 49ers and Giants
- Favorite movie or book: In college, Leo Buscaglia's Living Loving, Learning; RIP Leo.
- Favorite quote: "It is not from the benevolence of the butcher, the brewer or the baker, that we expect our dinner, but from their regard to their own interest;" thank you Adam Smith and the "Invisible Hand" theory.

2013 Oregon Legislature
There are currently 4 bills under the heading "Appraisal" which members are urged to be familiar with.

Members are encouraged to forward opinions to the Board you may have regarding these bills, or act on your own behalf by contacting your representative.

The Bills and their topics are:

SB 617 and SB 618: ACLB Discipline
HB 2817: Education regarding Energy Efficiency
HB 2731: Taxation

The full body of these bills may be read at www.leg.state.or.us

Indemnification Clauses
Indemnification Clauses in Appraisal Service Contracts
At a recent GOCAI board meeting, Matthew Larrabee, MAI, raised concerns regarding the indemnification clauses that are appearing on an increasingly frequent basis in appraisal service contracts.

Concerns related to these clauses include the following:
The indemnification clauses can legally require the appraiser to defend the client from suits filed by others against the client, regardless of whether the claim has any merit. Errors and Omissions insurance does not cover this potential legal cost, nor does General Liability insurance cover it. The appraiser could potentially be required to pay your client's attorney fees and court costs, regardless of whether the appraiser did anything wrong. The indemnification clauses are generally open-ended, vague, and set no limits on appraiser liability.

These types of clauses originated in the construction industry, but they are being inserted more and more often as standard language in appraisal contracts.

We urge our members to watch for these clauses, and to consider the potential risks associated with accepted assignments that include these clauses.

Please note: GOCAI has scheduled a 3-hour seminar with the Liability Insurance Administrators for May 17, 2013. Indemnification clauses would be a likely discussion point of the seminar, and we encourage our members to ask questions about the topic.

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**FDIC Appraisal Requirements, Pitfalls, and Issues**

**Dean J. Cameron, MAI**

What the bank examiners are looking for and how their requirements impact your practice every day.

The Greater Oregon Chapter of the Appraisal Institute is sponsoring a two hour continuing education seminar in Portland, Oregon on May 30th. Our guest speakers will be Paul Hornberger, Supervisory Examiner, Portland Office and Richard Rawson, MAI, Appraisal Review Specialist, Phoenix Field Office. Richard is coming in from Phoenix just to provide this seminar. He is an MAI and knows the appraisal industry. If you do work for financial institutions, this is a seminar you should not miss.

Lenders have an huge regulatory burdens from the Federal Deposit Insurance Corporation (FDIC), Office of the Comptroller of Currency (OCC), Board of Governors of the Federal Reserve Board System (FRB), Office of Thrift Supervision (OTS), National Credit Union Administration (NCUA), and State banking examiners. You as an appraiser are charged with knowing the regulations that pertain to appraisal, valuation, and reviews. In December, 2010 the various agencies issued the Interagency Appraisal and Evaluation Guidelines. Do you know these guidelines? Every appraisal you do for a federally regulated institution must be compliant with the guidelines. Find out what is in the guidelines and how you can help your client meet their requirements.

This seminar will cover the Interagency Guidelines and more. You will learn when an appraisal is required and when an evaluation is acceptable. What is an evaluation, and can it be done by a licensed appraiser in Oregon? How does Dodd-Frank impact appraisers? How can the lender and appraiser ensure appraisal independence? Can the appraiser talk to the loan officer to gather information and when does the discussion cross the line of appraiser independence? What are common errors, mistakes and issues noted by the FDIC in their bank examinations? What areas can the appraiser work to improve to ensure the appraisal is compliant with the regulatory requirements and the clients needs. When must a “bulk wholesale” value be provided? Are reviews required of every appraisal and what is your obligation to respond? Who can perform an appraisal review? What happens if the reviewer has a disagreement with the appraiser that cannot be resolved? What repercussions occur to the lender if your appraisal is not deemed to be acceptable by an examiner?

Please join us for this informative seminar. You are guaranteed to learn more about your client's needs and issues, and your requirements and obligations. The more you know about the regulations, the better service you can provide your client. Knowledge is what sets the
Candidate Advisory Program

Help Needed: Candidate Advisory Program

Only five members of our chapter have signed up to serve as Candidate Advisors in the Appraisal Institute’s new Candidate Designation program; more Advisors are needed.

Recognizing that a lack of understanding of the Advisor's role is keeping some of our members from considering this type of professional service, answers to several frequently asked questions are given below. Note that these questions and answers are taken from the Appraisal Institute website, where additional information, a brief orientation, and a sign-up link can also be found.

What is an Advisor?
The Advisor will serve as a resource for the Candidate, providing the Candidate with the benefit of his or her years with the Appraisal Institute and the appraisal profession.

What are the Advisor's roles and responsibilities?

1. The Advisor must know the basic requirements for obtaining the MAI and/or SRA designations.
2. The Advisor will have regular contact (at least quarterly) with the Candidate (either in person, via phone, and/or via e-mail).
3. The Advisor will respond to the Candidate’s questions, concerns, and requests (as appropriate).
4. The Advisor will encourage and help the Candidate set achievable timelines for completing the designation requirements.
5. The Advisor will monitor and encourage the Candidate’s progress toward meeting those deadlines.
6. The Advisor will guide the Candidate to appropriate resources.

Who is eligible to serve as an Advisor?
Designated members in good standing who are current on their own continuing education requirements, who have not been subject to a publishable disciplinary action by the Appraisal Institute within the last five years, who are comfortable with e-mail and other internet technology, and who have a positive, professional demeanor may apply to serve as Advisors.

How do I become an Advisor?
To become an Advisor, a member must meet the eligibility requirements summarized above, must complete the online Advisor orientation program (a free, one-hour course accessible from the AI website), and must sign the official Appraisal Institute Advisor agreement.

Would I receive continuing education credit for my service as an Advisor?
An Advisor may receive up to 25 hours of credit in the "Service to the Appraisal Institute" category in each continuing education cycle.

How will the Candidate(s) I advise be chosen?
A list of approved Advisors is compiled and maintained by the Appraisal Institute. A Candidate may request a particular Advisor, or the Appraisal Institute may make the assignment. The Advisor can decide whether to accept the assignment for a specific Candidate.

How many Candidates would I advise?
It's up to you. Advisors should consider how many Candidates they can serve effectively given other demands on their time.

How long would I serve?
An Advisor should expect to serve in that capacity for the period of time required to achieve Designation. For an Advisor to a general Candidate, that period will generally be four years. For an Advisor to a residential Candidate, that period will generally be three years.
GOCAI Members Publish Articles in The Appraisal Journal
2012 Chapter President, Robert M. Greene, MAI, SRA just received this announcement:


The Swango Award is presented for the best article published in The Appraisal Journal during the previous year on residential, general, or technology-related topics or for original research of benefit to real estate analysts and valuers. The article must be written by an appraisal practitioner and must be practical in nature and address issues useful to appraisers in their day-to-day practices. The Swango Award carries a $3000 honorarium.

An announcement of the the Swango Award will appear in the upcoming Spring 2013 issue of The Appraisal Journal. Congratulations, Bob!

Taylor Watkins, a certified residential appraiser and owner of Watkins & Associates in Portland, co-wrote the article "Understanding and Appraising Properties with Accessory Dwelling Units," which was published in the Fall 2012 issue of The Appraisal Journal. Well done, Taylor!

RMLS Multiple Listing Service monitoring users for compliance with one password / one user rule.
Beginning in January, the RMLS listing service started monitoring users checking for compliance with the one password / one user rule.

If a password is recorded as having logged in from two locations at the same time, or from geographically disparate locations within a short period of time, RMLS will send the user whose password is being used a notice that this is occurring and a request to change the password.

If, after the password is changed, this continues to occur, RMLS will send another letter which will be copied to GOCAI.

RMLS offices states that continued non-conformance will instigate a visit to the user's stated address by RMLS representatives.

The rule has always been one password / one user. A user can apply for an assistant to be able to access the site for a $25 quarterly fee. A Licensed/Certified/General Appraiser cannot be named as an Assistant. A Licensed Appraiser Assistant does qualify for this level of system access.

The Chapter is Hosting the 3-Hour Seminar on May 17th:
Peter Christensen, from LIA Administrators & Insurance Services, will review all the ways that an Appraiser may be sued doing non-lender work:

- Expert witness
- Arbitration
- Divorce
- Estate & Tax
- Conservation Easements
- Review Appraisal

Actual lawsuits against appraisers form the foundation of the seminar. Learn what appraisers can do to minimize risk, how to deal with common liability threat situations and what should be in your engagement letters and how to best avoid trouble!
Liability Issues for Appraisers Performing Litigation & Other Non-Lending. The three hour seminar will be held at the Phoenix Inn & Suites/9575 SW Locust Street, Tigard, OR, and will be from 9am-noon. Watch for an email soon to register.

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**Asking the Right Questions**  
Timothy J. Holzhauer, MAI, SR/WA, MRICS, JD  
"Should I tell them the story about the dog?"

Those in the class that have heard the story would laugh quietly. Dad told this story in every class that he taught with me, and I'm sure many other times over his teaching and appraisal career. A reporter in one of the stories that I watched about his death in a boating accident a few weeks ago said "it sounds like we lost a good one." I know he is right, and I feel the loss intensely. From the nationwide outpouring of support from not only friends but also colleagues, co-instructors, former students and professionals that were positively affected by Harry Holzhauer's infectious love of appraisal, public real estate and teaching I know that the industry misses him as well.

Harry was full of stories, some that he experienced himself, some that he co-opted from other instructors and colleagues. He always made sure to tell me that "it doesn't matter whose story it is, as long as it demonstrates your point." I've heard the same notion repeated by other facilitators and instructors over the course of my career. I think, overall, this illustrates how collectively our industry learns.

"Should I tell them the story about the dog?" Dad would say, and those that had heard it would laugh.

Our goal as right of way professionals should be to find not only the best answer, but also the best question. It's very common for our clients, whether they be agencies, engineers within your own agency, private parties, attorneys or anyone else that you might be completing a project for, don't really know what they need. We need to listen to what they are asking for, listen to the reasoning and help them figure out what we can really do for them to help.

The only way for us to creatively find the right question and the best answer is for us to relate it to our experience, education and knowledge base. Sometimes that comes from our own stories. When we collaborate, we have many more stories to draw from, many more experiences, many more questions that were found correctly or, in some cases, incorrectly. We can only improve as an industry by sharing these stories and working collaboratively.

Harry's stories were drawn from more than 30 years of experience in the industry, from collaborating with other professionals, and from everyday life. He would share stories about the time he and I appraised a natural hot springs resort, when we had to analyze the effect on value of the natural springs, that would have limited value without the resort and vice versa. He would share stories about the trial in which a judge concluded that a church was inherently unique, and reproduction cost was the measure of value, not depreciated replacement cost. Stories about when a jury agreed with him and concluded that an appraisal is an opinion, and an opinion can never be "wrong." About the trial in which the judge concluded in pre-trial motions that a parcel of vacant land with off-site curbs was effectively improved and could not be compared directly to raw land without curbs, thus throwing out seven of ten comparable sales on the eve of trial. Each of these stories would lay the groundwork for solving problems that our clients come to us with.

"Should I tell them the story about the dog?" He would say.

The stories weren't just about professional assignments, either. Dad would speak frequently about the grandkids (I know I lost my status as soon as my kids were born). He would tell stories about my two sets of twins, and how they had to learn to share from the start, since there were always two of them. Or about how much fun it was to watch them learn, especially when he was able to perform electrical experiments on a science kit that he had for them. The joy of watching children learn would always lighten his day. The joy of seeing adults learn was just as good, but it's more frequent and obvious on the children. Either way, the experiences of everyone else
would help him see issues from different perspectives.

As I say, and I learned this from dad, I learn as much when I facilitate a course as I do when I sit through one. Frequently more. It's the interaction. It's the stories. Every story gives us a different perspective. A perspective that can help us find the question, as well as a solution to the question.

The story about the dog, and I don't know whether Harry co-opted it or it really happened to him, was this:

_I was testifying in a trial for an attorney that was new to eminent domain. The attorney was not familiar with the appraisal process or the terminology. Although we met before trial, and talked about the process, the attorney was still struggling to understand how the pieces fit together. So on direct exam, his questions were not getting to the point of what I was trying to say. So I answered in long, narrative answers, circling back to the point._

"Objection! Non-responsive!" exclaimed the opposing counsel.

"Sustained." The judge looked at the jury and asked "should I tell him the story about the dog?"

The jury laughed a little to themselves.

The direct examination continued, and the attorney asked more questions that weren't quite on point. So I answered in a narrative that went on for some time.

"Objection! Non-responsive!"

"Sustained. Should I tell him the story about the dog?"

The jury giggled a little more.

After a couple more rounds of this same sequence, the judge finally told the story. The judge said: "If I were a door to door salesman knocking on your door, and you came to the door with a dog standing next to you, I would ask you the name of your dog. Your answer would be "Rover," not "well, funny story about this dog, I was walking by the pound one sunny day and I heard dogs barking so I went into the pound and looked at all the dogs and this one was cute and another not so much so I took the dog home and he fit right in . . . “ Please just answer the questions that you are being asked.

So I looked up at the judge and said "but what if you asked me the name of my dog and standing next to me was a cat?"

The story is a parable for finding the right question. Harry was very good at looking for the right question, as we all should be. My kids and I dearly miss him, and I know everyone that met and worked with him does as well. But what he has taught us should continue, and that is that in order to keep growing as an industry, to keep improving on our process and our service, we need to keep sharing our experiences, and borrowing from each other and from our lives outside the profession to find creative solutions and help each other grow.

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**Office Space for Rent**

Private office space available in Beaverton area. Share data resources with the other commercial appraisers in the building. Please call Pete for details at 503.789.4113.

**Upcoming Events**

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
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<tbody>
<tr>
<td>Date</td>
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<tr>
<td>April 24-25</td>
<td>Evaluating Commercial Construction</td>
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<tr>
<td>April 26</td>
<td>Evaluation Residential Construction</td>
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<tr>
<td>May 2</td>
<td>7 Hour National USAP Update</td>
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<tr>
<td>May 3</td>
<td>Business Practice and Ethics</td>
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<tr>
<td>May 17</td>
<td>Liability Insurance Administrators (9am-noon)</td>
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<tr>
<td>May 21-24</td>
<td>General Appraiser Income Approach, Part 1</td>
</tr>
<tr>
<td>May 30</td>
<td>Two Hour Chapter Meeting, FDIC Appraisal Requirements, Pitfalls, and Issues</td>
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<tr>
<td>June 4-7</td>
<td>General Appraiser Income Approach, Part 2</td>
</tr>
<tr>
<td>June 17-20</td>
<td>Advanced Income Capitalization</td>
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For a complete list of upcoming classes and events, and to register for any of these classes, please visit the GOCAI website, [www.oregonappraisers.org](http://www.oregonappraisers.org)

**Sincerely,**

Hillary Huefner, MAI  
Newsletter Editor