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

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

Thanks to the generosity of Portland Residential Appraisals for sponsoring the recently released survey regarding future education related offerings, chapter events, and the GOCAI Directory. If you have not yet completed the survey, please take a few minutes to submit your feedback. As we map out our education offerings for the upcoming two to three years, we want to ensure that GOCAI is providing our members with education that is not only needed, but also wanted.

As I was reminded at the most recent social, our members are fun! It was refreshing to spend time with other individuals who share a common interest in real estate valuation. The more of us that get involved, the better for all. If you are hesitant to attend a social event on your own, bring a colleague! Let's work together to increase the momentum of our chapter and encourage involvement. We can all learn from one another; perhaps you are working on a complex assignment that would benefit from input from your peers, or perhaps you could learn about new business trends such as updated commercial appraisal report writing software, etc. You can volunteer for a committee, take an active role with the board, or just show up to mingle and have fun with other like-minded appraisers.

I would like to personally thank our Government Relations Committee, and specifically Owen Bartels, MAI, for continuing to take the lead on the recently passed Statute of Ultimate Repose.
(HB 2189), which protects appraisers from long-term civil actions by enacting a time limit of six years. Owen was asked to speak on our behalf at the Oregon Association of Realtors Legislative Goal Setting event in April. It is our hope that we can work to lower the timeline to coincide with our record keeping rule of five years, and ultimately expand the legislation to cover regulatory complaints as well.

Lastly, May will be a busy month for our GOCAI members. The first Region 1 meeting is being held in Boise, ID in early May. One of the primary topics of discussion will be the Governance Restructure Program. I will share an updated status report on the program following the meeting. In addition, Chad Plaster, JD, MAI and Michael Hinnant, SRA will be heading to the Leadership Development and Advisory Council (LDAC) to lobby congress on Capitol Hill later in the month. Safe travels!

I am optimistic about the upcoming year, and welcome your input. Please reach out and let me know how GOCAI can help you achieve your professional goals.

Best Regards,

Katie
Katherine Powell Banz, MAI
2018 GOCAI President
kbanz@powellbanz.com

Feature Article
Jo Ellen Jarvis, MAI, SRA
Jarvis Appraisal Company
jojarvis@jarvisappraisal.net

ADAPTING TO CHANGE

I’ve been to several meetings from various appraisal organizations lately. Our industry seems to be shifting yet again. At one meeting, there was great concern about a lack of appraisers to fill a growing demand for right of way appraisal work. One week later at another organization’s meeting, appraisers were very concerned that the growing lack of demand for single family residential appraisals will lead to fewer jobs and another downward spiral of appraisal fees. I field calls from clients wanting appraisals where they’ve been told the turn time is months. Others move on if I can’t deliver with a week.

At one meeting, the speaker talked about banks relaxing appraisal requirements and allowing for more evaluations, drive-by appraisals, and ‘hybrid’ appraisals. The potential easing of Dodd Frank regulations is also likely to impact what banks will require to secure a loan. So what does this mean for appraisers? As in any profession, the ability to adapt to a changing environment will be necessary to survive and thrive in this business.
The spectrum of appraisal services (aka scope of work), is widening. Some institutions are looking for a less in depth analysis (do you really need to see the property to provide an appraisal service?). In this business scenario, competitive fees and quick turn times are likely to be the driving force for this product. Can appraisers do this type of work? Definitely-as long as USPAP requirements are met, and the scope of work is clearly identified. Is it financially feasible? Maybe -as long as appraisers keep in mind (and communicate to their clients) that they are selling a valuable service, and need to be compensated for their time, data, and expertise, we can avoid the race to the bottom that put so many appraisers out of work ten years ago.

On the other end of the spectrum are the highly detailed reports that require additional education and experience. In these specialized fields, credentialing is highly valued by clients as well as the ability to identify and analyze unique appraisal problems. The learning curve to provide these services is longer, but the supply of appraisers with the knowledge base to complete these more complex assignments is much lower. Within this niche, the quality of work trumps the fee in many cases.

So what is the future of the appraisal industry? Based on information I've gleaned from my associates, the ability to provide a broad spectrum of services at a fair and reasonable fee will be the key to the future success of appraisal firms.

**Member Spotlight**

Kenzie Parrish, SRA
mparrish@pdxres.com

Kenzie is a Certified Residential Appraiser, recently finishing all requirements and achieving an SRA designation. She was born and raised in the Portland area and went to school at Wilson High School in SW Portland. After that, she attended University of Oregon and graduated with a Bachelor's Degree in Psychology in 2014 and moved back to Portland after college.

She originally wanted to pursue criminal psychology and was looking into graduate programs; however, found that there were few of them and that it would be a costly endeavor. Until she could determine her career path, she took a receptionist job at a water restoration company for residential homes in 2014. In her down time, the estimators would show her how to write estimates and she became interested in that quickly. After finding interest in the estimation process, she looked into real estate and did some research of appraisal companies. Portland Residential Appraisals hired Kenzie as an Appraiser Assistant shortly after.

She has been a Certified Residential Appraiser for about 8 months and has been appraising for nearly three years. She enjoys being able to look at all kinds of unique properties and solving the "appraisal problem". Outside of the office she enjoys running, hiking, backpacking, reading and painting. Her favorite food is authentic Mexican tacos and favorite kind of music is country.

Her employer, Mark Hepner, SRA, had the following to add regarding her recent accomplishment:

"Kenzie has finished all the requirements for SRA designation and recently received her SRA designation. She came to us an appraiser assistant 3 years ago and pursued her SRA designation from day 1 of her employment. At just 25 years old, she may be one of the youngest SRA's ever. We are very proud of Kenzie and she will be a great addition to our local chapter. As a firm, we are trying to encourage all of our appraisers to pursue designation as rapidly as possible and we now have great example of how quickly it can be done if the candidate is focused and diligent. I think Kenzie will be an inspiration to other residential appraisers and I hope the chapter can find a way to feature her accomplishment in some future newsletter."
City of Portland Home Energy Score requirement- went into effect, January 1, 2018.
Beth Aquilizan, SRA
bethaquilizan@gmail.com

Portland has joined Austin, Berkeley, Boulder, and Santa Fe as cities in the United States with Home Energy Disclosure requirements for Real Estate Listings.

As of January 1, 2018, all homes within Portland city limits being newly listed or re-listed for sale (including For Sale By Owner) have required a home energy score to be obtained.

Prior to listing, the homes undergo a "Home Energy Assessment" conducted by a licensed Home Energy Assessor. The Assessor is required to be licensed by the Oregon Construction Contractors Board to determine home energy performance scores, (scores range from 1 to 10) and authorized as a qualified Home Energy Assessor under the Program.

Earth Advantage, a Portland-based nonprofit is providing training for home energy assessors. The assessments are predicted to cost roughly $150-$250. GOCAI member Gary Kristensen, SRA is a licensed Home Energy Assessor and his company offers this service in addition to appraisal services. Gary is also an Earth Advantage approved trainer. He reports that scores of 9 or 10 are not frequently seen.

Home sellers are personally responsible for obtaining and distributing the Reports, however I have spoken to realtors who expect to pay the fee for the assessment as part of their listing package. The RMLS listing will include a link to the Home Energy Score (HES) Report.

An example of a sample score can be viewed at the following link:
https://www.portlandoregon.gov/bps/article/657789

GOCAI member Brian Glanville, MAI and myself were requested to attend a stakeholder's session hosted by City of Portland in spring of 2016 when planning was underway. It is clear that the purpose of the program is to induce property owners to make changes to their home which will result in lower energy consumption and reduced carbon emissions. When the score is provided it includes suggested improvements and the resultant change in energy costs and scoring which would occur. Brian and I succeeded in clarifying to the other stakeholders (including building contractors, realtors, non-profits and government agencies) that it will be the buyers who will determine the relative desirability of a home's rating. Surprisingly, the bulk of the stakeholders were of the impression that appraisers would be somehow placing a value on the scores, independent of studying market reaction.

It will fall to the appraisers to determine what market reaction, if any, the scores have on the value of the property they are appraising. Earth Advantage is keeping a public registry of Home Energy Reports which is searchable by street address. https://www.greenbuildingregistry.com/portland/

It will be incumbent upon the appraiser to determine the market reaction and how (or if) it differs in different locations, for different types of properties, and whether demand for higher scores increases over time.

Would you like older copies of the Appraisal Journal?

Larry Green has a collection of Appraisal Journals from January 1991 to present. Since he has retired, they are free to any good home and to anyone that would like to have them. Please contact him at 541-419-1102.
Single and Multi-family Residential Update Seminar  
(Earn 4 Hours of CE)  
Wednesday, May 9, 2018  
Four hour seminar and social

McMenamin's Old Church and Pub  
30340 SW Boones Ferry Road  
Wilsonville, OR.  
Seminar: 1-5pm(Old Church building behind the restaurant)  
Social: 5pm(Mezzanine of the restaurant)

This event is intended to provide valuable current market information to single family residential as well as commercial appraisers.

Our four speakers will cover the following topics:

- An update on current market trends in the single family sector based on most recent RMLS data as well as new features in RMLS.
- Current trends and projections in the multifamily sector including sales, rents, vacancy, construction; new government regulations in place and their impact on the market.
- The City of Portland Home Energy Score (in effect since January 2018); what it means and how appraisers can utilize available information to benefit their clients
- Valuable information regarding unreinforced masonry buildings, proposed City of Portland requirements, retrofitting triggers, cost/benefit, marketability, and other factors to be consider in the valuation process.

Presenters:
Gregory Frick, Partner, Broker-HFO Investment Real Estate, LLC
Gary Kristensen, SRA- A Quality Appraisal, LLC
Walter W. McMonies- Lane Powell PC
Kurt Von Wasmuth, President/CEO- RMLS

Approved for 4 hours of continuing education in Oregon:  
Approval #: AIG0-C-0418-1871  
Approved in Washington

Register Online Now
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<td>Single and Multi-family Residential Update (4 hours of CE with social to follow)</td>
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<td>7-Hour National USPAP Update Course</td>
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Sincerely,

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

zoe@duncanbrown.com