President’s Message
By James D. Brown, MAI

I would like to welcome everyone back from summer for the fall Chapter schedule of 2007. The Chapter continues to expand with new members and strong financial status. My attendance in July at the national Appraisal Institute conference in Las Vegas revealed the Appraisal Institute is aware of the “Principle of Change”. It is putting in place an agenda to meet the changes occurring in the industry as the appraisal function changes.

Some of these will be addressed at the next Chapter meeting. The Chapter is pleased to announce after a summer recess we are continuing our monthly meetings with a dinner speaker preceded by a 2 hour seminar. The September 27 Chapter meeting, will be hosted by Mark Barry, MAI who is also presenting the seminar. Barry has lined up Greg Frick, founding partner, Hagerman, Frick, O’Brien, LLC. Apartment Investment Expects in Portland.

Mr. Barry’s seminar provides two hours of educational credit with the States of Oregon and Washington for continuing education. The seminar immediately precedes the meeting. The seminar will provide valuable information on the multi-family sector of real estate appraising. Mark is also presenting the dinner speaker. These Chapter meetings provide an opportunity to socialize with fellow members.

Others have already signed on for subsequent Chapter meetings for seminars in October and November. This will continue the great experience we had last spring with monthly meetings preceded by 2 hour seminars. I want to thank all who have donated their time and effort for the spring meetings as well as our educators who put on our regular education schedule which is one of the best nationally. I look forward to seeing all members on September 27 which again will be held at the Benson Hotel.

Happy Birthday - Appraisal Institute Celebrates 75th Anniversary in Las Vegas
By Matthew Larrabee, MAI

From July 15-22 the Appraisal Institute celebrated its diamond jubilee in Las Vegas with a sizable contingent of members from the Greater Oregon Chapter. Those in attendance included James Brown, MAI (Chapter President), Terry Bernhardt, SRA (Regional Education Liaison and Region 1 Representative), Steve Hotaling, MAI (Region 1 Representative), Lou Moscato, MAI (serving for Scott Henningsen, MAI as Region 1 Representative), and Matthew Larrabee, MAI (Chapter Treasurer/Education Chairman). Vicki Champ, our Executive Director, was there to keep us all organized. Other Oregonians spotted at the confab included Spence Powell, MAI, who was honored as a past national president of the Appraisal Institute, Linda Powell, Mark Berry, MAI, Mark Lawwill, MAI, Dana Bratton, MAI, SRA, Frank Ganong, SRA, and Heather and Mario Martinez of Grants Pass.

While the temperatures outside soared to 110 degrees, more than 1200 attendees from across America, and distinguished guests from Korea and Mexico remained cool and collected in the conference facilities at Caesars Palace. Topics discussed included education, international outreach, strategic planning, and unification. The national leadership’s Strategic Planning Committee presented a number of initiatives to maintain the Appraisal Institute’s leadership in the Valuation profession, including Unification (see article). Fred Grubbe was introduced as the new CEO of the Appraisal Institute, and Anne L. Johnson, MAI, SRA of Casper, Wyoming was announced as the incoming 2008 Vice President.
Chapter Education Program

By Matthew Larrabee, MAI

During the fall of 2007, the Greater Oregon chapter will present a comprehensive slate of courses and seminars, as summarized below, starting with two classes in Bend on September 14 and 15. The Bend classes are Liability Management for Residential Appraisers, and the 7-Hour National USPAP update.

The chapter will also offer several classes in Tigard, starting with the 7-Hour National USPAP update on September 21. This will be followed by the 75-hour Trainee package from September 25 to October 6. This will be our third Trainee package this year, following two well-attended series in February and June. It will also be our final offering at the reduced rate of $1049 for non-members and $925 for members. For Oregon trainees and their supervisors, the required 4-hour Appraisal Assistant/Supervisory Appraiser class will be offered September 24 ($120 for non-members; $100 for members).

If you need continuing education credits, check out the 7 hour Real Estate Finance, Value, and Investment Performance seminar on November 9 in Tigard. On September 27, Mark Berry will present a two hour seminar on the Portland Apartment Market at the Benson Hotel in Portland, followed by an evening social. Our qualifying education classes are generally approved for continuing education as well, so there will be a lot of choices for CE credits this fall. For candidates that are on the designation path to their MAI, there will be a 7 hour General Demonstration Report Writing Seminar (not to be confused with the 40 hour Report Writing & Valuation Analysis class) on October 12 in Tigard, with CE credit in Oregon, Washington, etc. Hey, if you have been putting off completion of your Demo report for a few years now, this could be just the class to get you into the groove.

The chapter is proud to be among the first to offer the Appraisal Institute’s new 2008 AQB-compliant General Appraiser Income Approach courses (Part 1 and Part 2) during the last week of October and first week of November. These courses total 60 hours of education credit toward the new 300-hour requirement for the General Certification. During 2008, the local chapter is committed to offering an additional two courses in the spring and two in the fall, providing 105 hours of the required sequence toward the General Certification. If you have already completed the 75-hour trainee education, it will thus be possible to have completed a total of 240 hours by the end of next year.

For the first time, the Greater Oregon chapter will offer the entire 150 hours of education required for the Residential License during 2008. Trainees can get a head start by taking Residential Site Valuation & Cost Approach and the Residential Sales Comparison & Income Approaches in late November and early December, for a total of 45 hours. Watch the website, www.oregonappraisers.org for special package pricing to be announced soon. All registration is now online for greater convenience.

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Instructors: wanted

The new AQB-mandated curriculum is raising the bar for all new entrants to the field of real property valuation. The Appraisal Institute has responded by developing a set of classes that are state-of-the-art, rich in content and thoughtfully designed. This new curriculum presents our organization with a great opportunity to increase our market share and become the dominant appraisal education provider. At the same time, our local chapter is faced with the challenge of rebuilding our instructor corps. We are looking for a designated member who would be interested in teaching residential qualifying education, and one who would like to instruct USPAP. Getting qualified to teach for the Appraisal Institute requires an investment of time, talent and financial resources. The Greater Oregon chapter is working to make funds available to defray travel and registration costs. Please contact Matthew Larrabee for additional information at 503.799.3374 or office@resginc.com.

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Commercial Real Estate Appraisers Sought

Integra Realty Resources is hiring experienced commercial real estate appraisers. The largest firm in the U.S., IRR–Seattle and IRR–Portland offer generous fee splits, retirement package with employer contribution, medical insurance, paid education benefits and paid membership in the Appraisal Institute. IRR is a leader in technology with a national database, report template platforms and a wide variety of data sources to allow the appraiser to be efficient and profitable. Please contact Allen N. Safer, MAI at (206) 436-1190 (asafer@irr.com) or Brian Glanville, MAI, CRE at (503) 478-1002 (bglanville@irr.com).
Unification – Pros and Cons

By Matthew Larrabee, MAI

Change is in the air, in the form of a proposal to merge the Appraisal Institute with the ASA (American Society of Appraisers) and the ASFMRA (American Society of Farm Managers and Rural Appraisers). Can such a disparate group of professionals play together nicely? Would a merger be beneficial for the organization(s) and for us, the members? Proponents point to increased membership, more stable finances, and increased clout in governmental affairs. Skeptics wonder whether the merger would create unneeded turmoil and a loss of focus on real estate valuation. Both sides can agree that action is needed to keep the organization vibrant and relevant in the marketplace.

The practical problems that would need to be worked out include housekeeping issues such as the relocation and integration of headquarters staff, and more importantly, the social dynamics of merging the various groups at the chapter and national levels. This could turn the focus of the organization inward at a critical time for our industry, leading to a loss of responsiveness to external affairs. It will take time and effort to become a truly unified body, but there are benefits to uniting under one shield. Unsettled questions include the issue of designations, and a possible name change for the organization, leading to confusion in the marketplace.

To draw an analogy from the world of business, mergers do not always create the anticipated benefits. A recent merger that seemed like great ideas at the time was that of Chrysler and Daimler-Benz. However, DaimlerChrysler was recently dissolved, and during its nine year existence the Chrysler division saw its share of the U.S. automobile market erode from 3rd to 4th position behind Toyota. The numbers say it all. In 1998 Daimler-Benz bought Chrysler for $46 billion, and in 2007 they unloaded 80% of Chrysler for around $7 billion.

In the year 2000 AOL purchased TimeWarner for $173 billion with the intent of dominating the internet as well as more traditional entertainment and information enterprises. However, the merger failed to produce the desired results and by 2002, only two years after the merger, the combined company reported a loss of $99 billion and removed “AOL” from the masthead. The market capitalization of AOL TimeWarner immediately after the merger was $280 billion, and is now around $68 billion.

The point is that when different corporate cultures merge, they are not always able to create the hoped-for synergies. Speaking with one voice has great advantages, and a unification of all existing appraisal organizations would greatly increase our strength in the political arena. It might be our only choice if we want to stay relevant. However, the devil is indeed in the details, so my hope is that our leadership, with input from the grass roots, can work out a careful plan to assure success.

If we go down the merger path, would a merger with IRWA or NAIFA be the logical next step? After all, the law profession is unified under the ABA, and the doctors have their AMA. Unity and strength in numbers. On the other hand, would it be more productive to keep our identities as individual associations while we continue to coordinate on an ad hoc basis where our interests converge with other organizations, such as lobbying and education?

At the same time, there are other efforts that could be made to build a more effective Appraisal Institute, for example through a coordinated outreach to colleges and universities, with the intent of increasing our membership and bringing more young talent to the profession.

Rest assured, all designated members will have a chance to vote on the proposal, and each of us should gather the facts and consider the advantages of going ahead with unification. Most important, however, is that each of us should vote. If members do not vote due to lack of interest, a minority of our membership could determine our future. The decision to go forward will be made if 60% of the designated members that cast a ballot are in favor. Thus if only 50% of designated members casts a ballot, it would only take 30% of the overall designated membership to pass the proposal. In any case, once the decision is made, each of us should commit ourselves to making it a success, regardless of our personal feelings.

The preceding reflects my opinion as an individual Appraisal Institute member. Let’s hear yours.

Local Appraisal Firms Perform Pro-Bono work for Habitat for Humanity

By Beth Aquilizan, SRA

Thanks are extended to Steve Gentzkow MAI, SRA, of Portland Residential Appraisals, Inc, Terry Bernhardt, SRA of Valuation Trust Corp and to Brian Levine of Levine & Associates for providing pro-bono appraisals to Willamette West Habitat for Humanity Inc. within the past few months.

These firms have devoted their resources to represent GOCAI as an active participant in promoting home ownership in our region. They deserve our appreciation.

Anyone interested in providing their services in this manner can contact Beth Aquilizan, SRA at (503) 228-5714 or at bethomson@earthlink.net
# Field Notes, August 2007

## Greater Oregon Chapter Governance

**PRESIDENT**
James D. Brown, MAI

**VICE PRESIDENT**
Richard P. Herman, MAI, SRA

**TREASURER**
Matthew Larrabee, MAI

**SECRETARY**
Roxanne R. Gillespie, MAI

**PAST PRESIDENT**
David W. Groth, MAI

**2006 DIRECTORS,**
- Ryan Prusse, MAI
- Sam Romanaggi, MAI
- Aaron Brown, MAI

**2007 COMMITTEE CHAIRS**

**GOV. AFFAIRS:** Douglas R. Rives, MAI

**PROGRAMS:** Scott A. Henningsen, MAI

**ED. COURSES:** Matthew Larrabee/Rosemary Tobiga

**SEMINARS:**
- Matthew Larrabee, MAI
- Beth Aquilizan, SRA

**CHALLENGE EXAMS:** Paul H. Schaffner, MAI

**SCHOLARSHIPS:** Michael Bernatz

**ADMISSIONS, GEN.:**
- Aaron J. Brown, MAI
- Terry O. Bernhardt, SRA

**DEVELOPMENT & RETENTION:**
- Margot E. Hansen, MAI, Bill M. Jones, MAI

**ASSOC. GUIDANCE, RES.:**
- Sara A. Fraser, SRA

**EXTERNAL AFFAIRS:**
- Sara A. Fraser, SRA

**NOMINATIONS:**
- Dave W. Groth, MAI

**BYLAWS:**
- Sam Romanaggi, MAI

**EXECUTIVE SECRETARY**
Van Natta Public Relations & Association Mgmt.

G. Harvey Gail, Communications, Finances
Vicki Champ, Education & Events

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## Meeting and Class Schedule 2007

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
<th>Location</th>
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<tbody>
<tr>
<td>September 14</td>
<td>Seminar: Liability Management for Residential Appraisers</td>
<td>Central Oregon Association of Realtors Office</td>
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<tr>
<td>September 15</td>
<td>7 Hour USPAP Update</td>
<td>Central Oregon Association of Realtors Office</td>
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<tr>
<td>September 21</td>
<td>7 Hour USPAP Update</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<tr>
<td>September 24</td>
<td>Supervising Appraiser/Appraiser Assistant</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<tr>
<td>September 25-28</td>
<td>Basic Appraisal Principles</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>September 27</td>
<td>Board Meeting</td>
<td>The Benson Hotel, 309 SW Broadway, Portland, OR.</td>
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<tr>
<td>September 27</td>
<td>2 Hour Chapter Seminar &amp; Dinner with Speaker</td>
<td>The Benson Hotel, 309 SW Broadway, Portland, OR.</td>
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<tr>
<td>October 1-2</td>
<td>15 Hour USPAP</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>October 3-6</td>
<td>Basic Appraisal Procedures</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>October 12</td>
<td>General Demonstration Appraisal Report Writing</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<tr>
<td>October 30-</td>
<td>General Appraiser Income Approach (Part 1)</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<tr>
<td>November 2</td>
<td>General Appraiser Income Approach (Part 2)</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<tr>
<td>November 3-6</td>
<td>Residential Site Valuation and Cost Approach</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>January 14</td>
<td>SA/AA Seminar</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>January 15-18</td>
<td>Basic Appraisal Principles</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>January 19</td>
<td>Installation of Officers</td>
<td>TBA</td>
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<tr>
<td>January 21-22</td>
<td>15 Hour National USPAP</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>January 23-26</td>
<td>Basic Appraisal Procedures</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>April 14-17</td>
<td>General Market Analysis &amp; Highest &amp; Best Use</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<tr>
<td>April 18-19</td>
<td>Real Estate Finance Statistics &amp; Valuation Modeling</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>May 5</td>
<td>SA/AA Seminar</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>May 6-9</td>
<td>Basic Appraisal Principles</td>
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<tr>
<td>May 12-13</td>
<td>15 Hour National USPAP</td>
<td>Phoenix Inn &amp; Suites 9755 SW Locust Street, Tigard, OR.</td>
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<td>May 14-17</td>
<td>Basic Appraisal Procedures</td>
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### The Greater Oregon Chapter of the Appraisal Institute

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