

## In This Issue

[Featured Article](#)

[Member Spotlight](#)

[Seven hour Drone Seminar](#)

[Willamette Falls Tour](#)

[Newly Designated](#)

[Upcoming Events](#)

## Quick Links

[Website](#)

[Education / Events](#)

[Newsletter Editor](#)

[Appraisal Institute](#)

[Oregon ACLB](#)

## Free Money

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

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

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



# Greater Oregon Chapter

**Message from the President:**  
**John V. Donnerberg, MAI**  
[john@donnerberg.com](mailto:john@donnerberg.com)



### Open ACLB positions

The Oregon ACLB will have up to 3 board positions open this summer. At least 2 of these positions are appraiser positions. I encourage our membership to take an active role in this important part of our profession. Without experienced appraisers on the ACLB, our livelihood is left to non-appraiser interests to regulate. Please take the time to consider volunteering for one of the available positions. The application process is fairly simple, although the selection process is a bit more mysterious. The ACLB website has a link to the governor's website for board appointments. Our own chapter member Dean Cameron, MAI is currently serving on the ACLB. We all owe him a debt of gratitude for his generous efforts in Salem. He would be happy to discuss the experience and application requirements with any interested chapter members.

### Chapter Stats:

1. Last year, we designated a record 17 people: 14-MAI's, 3-SRA's. Year to date, we are seeing a significant reduction in new designations with only 2 SRA's and 1 MAI being awarded as of the beginning of July.
2. Overall membership has decreased slightly down to 382 total members from 389 in January. Chapter membership includes; 150-MAI's, 65-SRA's, 17-AI-GRS, and 4-AI-RRS. We have 31 general candidates and 1 residential candidate. Our chapter includes 99 practicing affiliates.

### Education:

The GOCAI has continued to host robust education schedule in 2016. In the first half of 2016 we hosted 9 educational offerings, including a mix of homegrown and AI curriculum. We will continue 2016 with at least 6 more education offerings in the second half of the year. We anticipate a similar volume of education in 2017.

### Finance:

The Chapter is financially sound. We have maintained a stable budget and stable account balances for the past 3 years.

### Government Relations:

We have continued to explore options for establishing a statute of limitations to appraisal investigations by the Oregon ACLB. This represents a significant lobby effort likely aimed at the 2017 full legislature session. GOCAI chapter Vice President and Government Affairs chair, Owen Bartels has agreed to coordinate our chapter's effort in this initiative.

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**Other business:**

Chapter leadership has continued to support the LDAC program. Although we did not send a member to LDAC in 2016, we are actively recruiting candidates for the 2017 program.

Respectfully Submitted



2016 GOCAI President

**Featured Article**

**Sustainability of an Inflating Market**

**Zoe R. York, MAI, Newsletter Editor**

[zoe@duncanbrown.com](mailto:zoe@duncanbrown.com)



Appraisers who have been in the business over the last decade have witnessed some dramatic changes in the residential market. Between 2006 and 2016 the market has come full circle from the rapid inflation leading up to the 2008 housing crash and back to the more recent frenzy stimulated by low interest rates and a recovering economy.

From an appraisal standpoint, this market recovery has created a substantial workload, but also poses some difficulty due to the rapid changes in the market each month. Interest rates are low and the economy is strengthening, creating a very high demand for new homes. However, supply remains relatively low which puts pressure on home prices. This low supply is the result of two primary factors: the first being limited construction during the recession and the second being the lag of normal supply. A typical turnover for home owners would be approximately 5 to 8 years, but homeowners who purchased at the peak of the market (approximately 9 years ago) cannot yet afford to sell without taking a loss which puts downward pressure on the normal turnover and new supply of homes offered for sale in the market.

As a result of the downward pressure on supply, home buyers are frantically looking to take advantage of low interest rates but are met with very few choices. Homes are often times pending sale within 24 hours of being listed, at or above asking price. In addition, most sales are occurring with 3% added to the sale price for closing costs. This lack of supply and direct competition has resulted in purchase prices being set by listings in the immediate area and often times there is inconsistency within the market as a result of the lack of available homes to purchase.

Ultimately, the current activity in the residential market is the result of an imbalance in supply and demand. New construction has picked up in most areas but generally has not yet occurred at a pace which can meet the pent up demand. Until supply can catch up with demand, there will continue to be upward pressure on home prices, which creates difficulty for appraisers utilizing historic sales data to analyze a current pending sale. This imbalanced market requires special consideration to supply and demand factors, listing prices and time adjustments for sales which have occurred even 3 to 4 months prior to the date of value.

Looking at this rapidly changing market, there are numerous questions amongst real estate professionals: is the market increasing too fast? What will happen when supply catches up to demand? Is there false inflation in the market due to this point-in-time imbalance?

After a recession, recovery and expansion are typical reactions as the market adjusts. However, when appreciation occurs at a rapid pace and normal supply is impacted, there is some uncertainty surrounding the sustainability of the rapid improvements. As with most uncertainties, there is no crystal ball or definitive answer. Rather, the important thing for appraisers to recognize and incorporate into day to day business is this potential volatility of the market and necessity to understand the interaction of supply and demand as of the date of value in the context of historic sales data and competitive inventory in the market.

**Member Spotlight**  
**Leah Carter Callahan, MAI**  
[leah@duncanbrown.com](mailto:leah@duncanbrown.com)

Born in Texas, Leah moved with her family throughout the Pacific Northwest in her early years. Due to her father's work in the forest products industry, her family relocated multiple times to various mill towns in Seattle, Portland, Marysville/Yuba City, and ultimately Eugene/Springfield. No stranger to moving, after high school Leah relocated to a variety of areas, including Virginia and California, while working in marketing and project management. In 2002, she relocated to Eugene where she has resided since.



Leah attended the University of Oregon's Lundquist College of Business while working at Duncan & Brown. At UO, Leah participated in the University of Oregon Investment Group, a group of enterprising students with over \$800,000 under management at that time, and was its first female Director of Operations in her senior year. In her tenure as Director, she not only learned the ins and outs of equity analysis and investment management, but also led the group to one of the largest recruitment years and the highest number of women participants. Leah earned a B.S. in Business Administration.

Although she was originally interested in continuing on to law school after getting her undergraduate degree, her work at Duncan & Brown introduced her to the world of real estate appraisal. Appraisal was a natural evolution from her work experience and education in business and economics. Leah received her certified general appraiser license in 2006 shortly after graduation from UO and has continued working at Duncan & Brown. She finished most of her designation education soon after college, but took a few years off to enjoy time with her family. In 2014, Leah completed her final designation requirements and received her MAI. Looking forward, she is continuing her professional development in the areas of green building valuation and conservation easement appraisal.

Leah met her husband, Neil, in 2006. Leah and Neil have two children: Desmond, 6, and Avonlea, 3. Outside of work Leah enjoys spending time outdoors with her family and introducing her kids to her favorite places around the Pacific Northwest. She has spun her past interest in a legal education into advocacy with groups that promote human rights. Together with a friend in 2010, she co-founded an attachment parenting support group which continues to grow and serve Lane County families. More recently, she became involved with the grassroots organization Moms Demand Action for Gun Sense in America.

When asked about a favorite quote, Leah quotes Robert A. Heinlein, "There ain't no such thing as a free lunch."

**Seven Hour Seminar-September 30**  
**Drone Technology and it's impact on the Appraisal Industry**



Presenter:  
Lamar H. Ellis  
III, MAI,SRA,  
Atlanta, GA.

Drones are changing the world. Lamar H. Ellis, III is from Atlanta, Georgia and holds the prestigious MAI and SRA designations along with being an approved instructor with the Appraisal Institute. Since the first seminar in 2014, Lamar has continued his education by consulting with Drone companies and representatives of the FAA, reading magazines, books and periodicals, actual flying and testing of drones, and assisting in business development for a couple of local Drone companies. He has presented the seminar to Appraisal Institute chapters in 10 states and is currently contracted to present in six more states before the end of the 2016. He has also presented drone related seminars to divisions of the EPA, East Coast Insurance Brokers, Alabama Power, the Georgia Erosion and Agricultural Expo, International Drone Day 2016, Turner Broadcasting Systems, and various other real estate entities.

"Drone Technology and Its Impact on the Appraisal Industry" stresses safety and the necessary steps to be able to utilize aerial technology in business practice. The seminar touches on fixed wing drones but emphasizes multi-rotor drones. A variety of different multi-rotor drones are shown and their capabilities are discussed. There is an abundance of videos and photographs to assist in the learning process and keep attention. Different applications for aerial technology being used today are presented and discussed. Finally, because of Lamar's affiliation with several local Atlanta drone companies he has had the ability to work on a television show, film various residential, commercial and industrial properties, and work on video and photographic shoots for various industries.

Lamar Ellis is an educational leader in the drone industry. Several attendees of his seminar also took other drone educational seminars. They all stated that "Drone Technology and Its Impact on the Appraisal Industry" was all encompassing and really useful in giving a real insight into the Drone Industry. Unlike other seminars on the market, the goal of this seminar is not to sell anything but to give an overall understanding of the current aerial technology market and the possible future

***Seven hours of continuing education has been approved with the Appraisal Institute, Oregon and Washington.***

***OR. Approval #-AIGO-C-0616-1863  
WA. Approval #-AP3645***

[Register now](#)

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**GOCAI Presents: Willamette Falls and Oregon City Real Estate Update**  
**John V. Donnerberg, MAI**  
[john@donnerberg.com](mailto:john@donnerberg.com)

On July 15<sup>th</sup>, The Greater Oregon Chapter of the Appraisal Institute was invited to a sneak-peak of one of the more significant public / private developments ever proposed for our region. Chapter president, John Donnerberg, MAI, was accompanied by Kelly Reid and Eric Underwood of Oregon City planning and urban renewal as they narrated a 2-hour guided tour of the Willamette Falls Legacy Project.

Fifteen members of our chapter were given a glimpse into the past as we toured the now closed Blue Heron paper mill. The event offered 2 hours of CE in both Oregon and Washington. The event sold out within a few days as it was capped at 15 people due to safety concerns at the active redevelopment site.

For more than a century, the awe-inspiring beauty of Willamette Falls was closed to the public. Soon, it won't be. Oregon City, Clackamas County, Metro, the Governor's Regional Solutions Team and the site's private owner, Falls Legacy LLC, along with a dedicated team of community advocates, businesspeople and interested members of the public, are working to bring the Falls back to the people. Long-term plans include a public riverwalk along the edge of the Willamette River and a thriving, connected, downtown Oregon City with room for housing, public spaces, habitat restoration, education and employment.

After the falls tour, Eric Underwood narrated a walking roundtable discussion of the impact of recent urban renewal efforts in the downtown area. Attendees enjoyed a hosted lunch at Oregon City restaurant, The Verdict. Additional tour opportunities may be available as the project progresses. Our chapter will make an effort to schedule additional tours next season.



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**Newly Designated**  
**Margaret L. Nelson-Quin, SRA**  
[margaret@phoenixappraisal.org](mailto:margaret@phoenixappraisal.org)



I was raised in the foothills of the Sierra Nevada Mountains in a little town that was known during the California Gold Rush as the Gem of the Southern Mines. Eventually I ended up on the north coast of California where I began my appraisal career in a market area that was about 30 miles long and a couple of miles wide. I started out on my career path as a cosmetologist, I then became an Electronics Technician and work for a time at Hewlett Packard. My path into appraising was a short stint as a Real Estate agent where I discovered the absolute joy of digging around in the county records.

Although it is helpful as a Real Estate salesperson to know lots of information about a property, I personally had a need to share everything I knew with the potential buyer. This was not so helpful, and frankly I couldn't understand why someone wouldn't want to know all the details. Enter appraisal where, for the most part, the client is very interested in any information I can dig up about a property.

Right after I received my residential license I met a general appraiser named Dean Strupp who told me if there were only two things I did in my appraisal career, I should join the Appraisal Institute and achieve my general license. I immediately joined the Appraisal Institute and set out on the six year long journey of finding a general supervisor.

After cutting my teeth on rural appraisal in Mendocino County, my life partner and I moved to the Rogue Valley to be closer to medical services and Home Depot. For fun I like to fix things around the house, attend theatrical productions, and travel to Alaska or somewhere else on the ocean at

every opportunity. Personally I think there is a situation for every kind of music. My favorite movie is Legally Blonde. Tacked to the top of my computer screen is a quote by Eleanor Roosevelt. "You gain strength, courage, and confidence by every experience in which you really stop to look fear in the face. You must do the thing you think you cannot do.

Appraising is my third career, and if I were able I would return to either of my previous careers. My advice to anyone on the designation path would be to get the course work out of the way as soon as you can. Even though most of what you are taught you already know, the things you don't know or have forgotten will improve the quality of your appraisal work with the first course.

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**Garrett W. Pottmeyer, SRA**  
[acsopc@gmail.com](mailto:acsopc@gmail.com)



I grew up mostly in southern Oregon, Roseburg and Grants Pass, with stints in Alaska, Louisiana, and L.A. I graduated from Grants Pass High School and then went on to graduate from Southern Oregon University in 2002.

I enjoy socializing with an amazing group of family and friends. Soccer is still a big part of my exercise regimen. I also DJ events and weddings from Seattle to San Diego; it's a good hobby to have. Camping and traveling have also become a very important part of my life recently as well.

Some of my favorites include sandwich/hoagie, a fan of most all music, and Portland Timbers. A favorite quote of mine is "Do what you love, it's going to lead where you want to go," from Wayne White.

The SRA Designation was worth every penny and every minute of time. I learned so much in the process and it allowed me to feel more confident in my work instead of trying to sneak by without anyone giving attention to my reports. I was able to grow as an appraiser, my evaluation methods are stronger (and not just my sales approach), my adjustments are supported, and I am able to take on more complex work as I am capable of tackling unique and uncommon properties in my area (which also comes with increased fees).

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### Upcoming Events 2016

<u>DATE</u>	<u>DESCRIPTION</u>	<u>LOCATION</u>
September 9	7- Hour National USPAP Update	DoubleTree by Hilton Tigard, OR.
September 29	Timber Cruising and Valuation (2 hours, with social)	TBA
September 30	Drone Technology and it's impact on the Appraisal Industry	DoubleTree by Hilton Tigard, OR.
October 17-21	Advanced Income Capitalization	DoubleTree by Hilton Tigard, OR.
October 21	Contract or Effective Rent: Find the Real Rent (4 hours)	DoubeTree by Hilton Tigard, OR.

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/event.html](http://www.oregonappraisers.org/event.html)

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Sincerely,

A handwritten signature in black ink that reads "Zoe R. York". The signature is stylized, with the first letters of each name being larger and more prominent.

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



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