



**Appraisal
Institute®**
*Professionals Providing
Real Estate Solutions*

Greater Oregon Chapter

Field Notes November 2020

Chapter President's Message

Phil Hanshew, MAI, AI-GRS

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As 2020 draws to a close, I am writing our membership in this newsletter to update you all on our activities this year. So much has changed in the world and the impacts to our industry and Chapter will continue to evolve. While we did not accomplish everything we set out to do at the beginning of the year, I am very proud of the resiliency of the Board and our membership.



I want to specifically thank Vicki Champ, our Executive Director, for helping us navigate a new world of virtual education and state approvals in the pandemic era.

Covid-19

The Appraisal Institute continues to provide extensive information for AI professionals on how COVID-19 is affecting appraisers -<https://www.appraisalinstitute.org/news/coronavirus/>. This page is being updated regularly and I encourage everyone to use this reference.

Chapter Survey

In July, the Chapter conducted a survey of our membership to determine the viability of various educational offerings and formats. Not surprisingly, people were very hesitant to attend any in-person events for the foreseeable future. This led to a focus on our virtual offerings and additional understanding of the type and format of courses that would be best received by the membership.

Thank you to our Education Chair, Greg Lamunyan, SRA, AI-RRS, for the development of this essential piece of insight. Also, congratulations to Bonnie Tanamor, Candidate for Designation, who won the raffle for the \$50 Amazon gift card as a thank you from the Chapter for participating in our education survey.

Educational Offerings

Unfortunately, we had to cancel the Quantitative Analysis and Evaluating Commercial Leases live courses that were scheduled for September due to health concerns and travel logistics around Covid-19.

We were recently able to offer two courses virtually via Zoom; the 7-Hour USPAP update with Chuck Fisher, SRA, on October 29, and the Extreme Appraising course with Gary DeWeese, MAI, on November 6. Both were well attended and profitable for the Chapter, which bodes well as we enhance our offerings into next year.

We are also looking into providing one more seminar this year; Desktop/Bifurcated Appraisals & Evaluations, with Justin D. Slack, MAI, SRA, AI-GRS, AI-RRS, which is scheduled for December 15. If interested in taking this virtual offering please sign up as soon as possible. Early interest will ensure that we are able to present it.

University Outreach

At our last meeting the Board approved the formation of a University Outreach Committee under the Past President. This was one of my goals for the year and I am assembling representatives for each institution so that we can begin a meaningful interface to draw in future talent and better align qualifying education. This effort will also be coordinated with the National University Relations Committee (URC) as they work towards the development of an AI nationwide university relations program. If you have connections at a college or university, please let me know if you would like to volunteer or make a referral that the committee can follow up on.

2021 Chapter Installation of Officers

Please join me via Zoom on Thursday, December 10, from 5:30pm to 7:00pm for the 2021 Installation of Officers. We will have a similar presentation to years past, but obviously in a whole new format. Our courses and board meetings have gone well virtually, and it will be interesting to see a larger crowd in this setup. Vicki will continue to send the meeting information so that you can log on for the event.

Best Regards,

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Feature Article

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PAREA- PRACTICAL APPLICATIONS OF REAL ESTATE

I listened in on a discussion from the Appraisal Foundation on a proposal (which has since been adopted) to offer another option for those wanting to enter the appraisal field to obtain experience credit. The method of having a trainee with a supervisory appraiser would remain in place; however, due to a lack of supervisory appraisers in some areas, the Appraisal Foundation is proposing an alternate way for people to enter the field. The alternate method is restricted to Licensed and Certified Residential licenses, but the program can be used for a portion of the Certified General license.

Their proposal is to offer an alternate path that would replace the required hours of training with a supervising appraiser to a Program that would use Simulated Appraisals in an On-line setting. After passing ALL of the required classes, the student would enroll in a program that would use:

- Computer Based Learning: software applications to answer questions regarding collection of data, analysis through case studies.
- Video Gaming: used to evaluate a participants ability to recognize situation and respond accordingly
- Video tutorials: Students watch how specific tasks are performed, and then perform these tasks
- Virtual Assistant: Students interact with a virtual assistant (avatar) to guide the training (example: how to navigate a website or database)
- Virtual Realty Training: Students are immersed into various scenarios to experience how appraisers do specific tasks (example – measure a house).

A mentor is assigned to each student. As the student creates appraisals in this on-line setting, the mentor is responsible for checking the student's progress at specific points in the appraisal process. The mentor is to critique the student's work, offering additional suggestions, and support. The mentors would be included in the program offering, although the Foundation did not have specifics on how this would be set up, or how

mentors would be compensated.

The student must complete 3 USPAP compliant reports with the mentor's review and approval. The goal is to provide a shorter training time that will result in a competent appraiser at the end of the program. It will relieve the necessity of supervisory appraisers and experience logs, and shift to a mentor system with a certificate at the end the program that can be used by State Agencies for licensure.

There is discussion as to whether the program would completely replace the apprenticeship model currently in place, or if there would be a hybrid of the two (the Foundation's hope is that it could be used for 100% of a State's required experience credits).

The existing system would also remain as an alternative. Each state also has the option to accept this model of obtaining experience, or add additional requirements.

PAREA was adopted by the AQB on October 16, 2020. If you are interested in this program, or just want to learn more visit

<https://www.appraisalfoundation.org/TAF/TAF/PAREA.aspx>

Virtual continuing education- December 15



Desktop Appraisals (Bifurcated, Hybrid) and Evaluations-offered by Zoom

Tuesday, December 15, 2020

8:30-4:30pm

\$160

Approved for 7 hours of continuing education in Oregon and Washington, many other states as well.

Instructor: Justin D. Slack, MAI, SRA, AI-GRS, AI-RRS

Some AI educational programs may not be approved in every state for virtual offerings. Students should **check state approvals** prior to registering for any Appraisal Institute program.

Who should enroll

- General and residential appraisers that serve lenders
- Lenders, appraisal management companies, private mortgage companies, mortgage service companies, portfolio lenders, and underwriters who are users of these appraisal services will benefit by gaining a better understanding of why an appraiser may not be willing/able to accept one of these assignments.

- Description

NEW SEMINAR!

As the world changes, so do processes and methods used in many businesses including the appraisal profession. While alternative appraisal services like bifurcated, hybrid, and desktop appraisals and evaluations aren't new, they are becoming more popular. Many appraisers are uncertain about the general requirements of each service, how appraisal standards might apply, and how these services might create liability. This seminar will provide more clarity about the different services being requested and help you to decide if these services are for you. It will review the expectations of alternative appraisal services, potential uses, appraisal standard implications, scope of work, and liability concerns as it applies to residential and commercial assignments. And it will review evaluation formats and the business opportunities for them.

Objectives

- Describe desktop appraisals, such as bifurcated and hybrid, and learn how and when they are used.

- Discover how real estate collateral is used inside federally regulated banks and financial institutions.
 - Review the significant Federal and State laws governing all valuations — appraisals and evaluations — used for loan originations, modifications, and other subsequent transactions.
 - Identify appraisal standards, Interagency Guidelines, lender requirements, and state law requirements for credentialed appraisers.
 - Recognize the development and reporting differences that differentiate appraisals from evaluations and desktop valuation services.
- Prerequisites
 - None

AI and Non Member price: \$160

Register

2020 Legislative Update

Owen Bartels, MAI

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As the COVID-19 pandemic drags on, so does its impact on the real estate economy. You have no-doubt heard of Oregon's evictions and foreclosures moratorium that goes along with the Governor's emergency declarations. Included in the foreclosure moratorium is language that prohibits even foreclosure-related due diligence into distressed properties. This includes appraisal activity.



Now, I am not an attorney, nor is this any official position of the appraisal institute. If I get this wrong its by accident, but my understanding is that a lender cannot require an appraisal that would not have otherwise been required. They certainly cannot charge the borrower an appraisal fee for that work. I've highlighted what I believe is the relevant text, from **HB 4204** Section 1 (c)(A) and (C). All emphasis is mine:

(c) A lender **may not**:

(A) **Impose or collect a charge, fee**, penalty or other amount that, but for the provisions of this section, the lender might have imposed or collected from a borrower for failing to make a periodic installment payment or other amount due on or in connection with the borrower's obligation during the emergency period; (B) Treat in any manner the borrower's failure during the emergency period to make a periodic installment payment or other amount due on or in connection with the obligation as an ineligibility for a foreclosure avoidance measure; (C) **Require or charge for an inspection, appraisal or a broker opinion of value**, not otherwise required in the absence of a default;

While we've all heard about banks staffing up Special Assets departments, at least in Oregon there will be a distinct lack of activity here until this moratorium is lifted or at least the due diligence prohibition portion is lifted.

Stay healthy, and take care!



Upcoming Events

December 3- GOCAI Board Meeting 8:30-9-30am (Zoom)

December 10- GOCAI 2021 Installation of Officers 5:30-7pm (Zoom)

December 15- Desktop Appraisals (Bifurcated, Hybrid) and Evaluations (Zoom)
7 hours of continuing education
[\(register here\)](#)

We're working on the 2021 education schedule. If interested in a particular seminar please contact Vicki Champ at 503.316.1979 or email aioregon@oregonappraisers.org As of right now we're only able to offer continuing education classes by Zoom, the National office still offers designation offerings.

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Sincerely

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