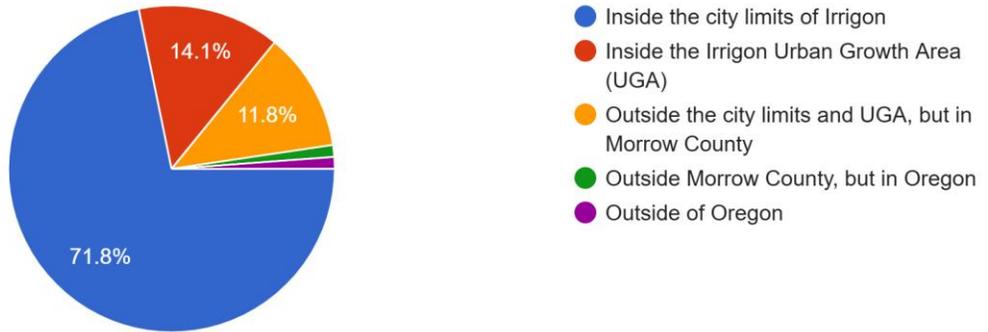


## Exhibit D. Public Survey Summary as of February 20, 2026

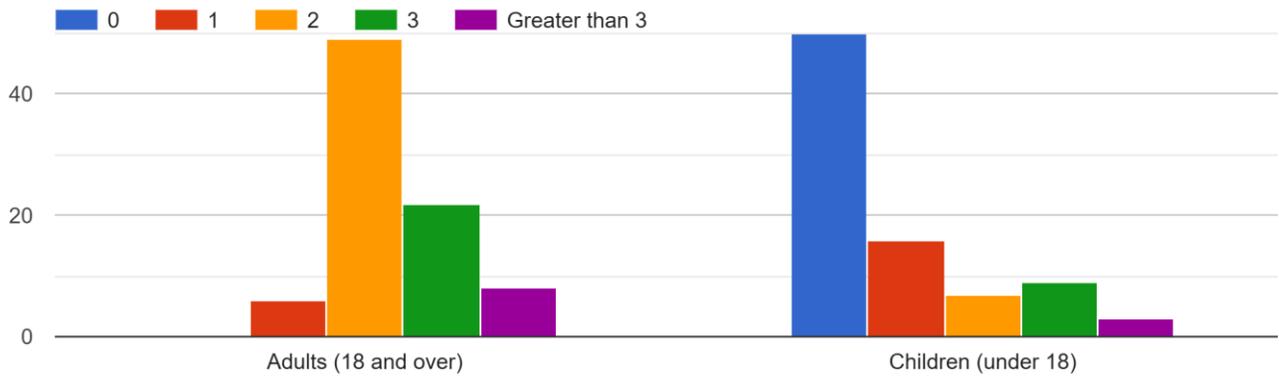
### Survey Respondents:

Where is your primary residence?

85 responses



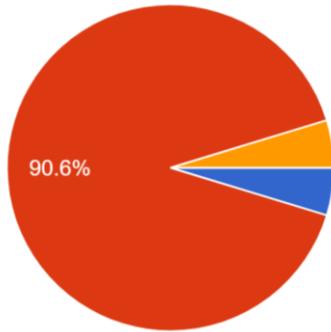
How many people are in your household?



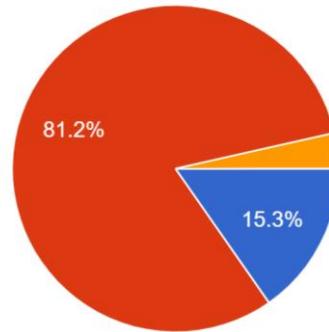
Results (85 Responses)

Response Options: Yes ● No ● Other ●

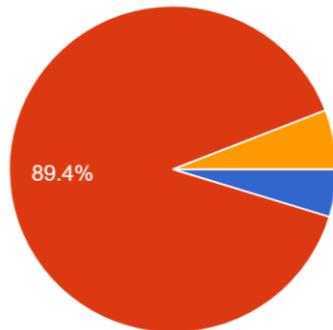
Should the minimum lot size be reduced from 6,000 square feet (0.14 acres) to 4,000 square feet (0.09 acres)?



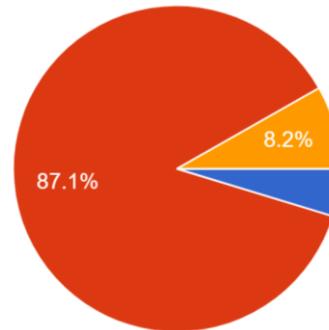
Should the minimum home size be reduced from 1,200 square feet to 800 square feet?



Should the minimum lot width be reduced from 60 ft to 40 ft?



Should the residential side neighbor buffer be reduced from 10 ft to 5 ft?



Overview

- Majority of respondents were inside Irrigon City Limits and UGB
- Majority of respondents are not in favor of changing the minimum residential standards (81% to 90% said “No” to each change). Respondents most pressing concerns were:
  - Privacy
  - Home values and affordability
  - Parking/Traffic
  - Greatly impacts (strains) water and sewer systems without a plan for improving for funding infrastructure demands.
  - Having enough room for outbuildings
  - Fire safety
- The proposed change with the most support (15%) was on the minimum home size as some respondents thought it should be up to the owner, not the government

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STAFF REPORT

AMD#266-66 LandWise/Olin Homes

March 5, 2026

Page 2 of 3

## Exhibit E. Summary of Public Comments and Public Comment Letters

February 5, 2026 Public Hearing

All comments in favor of the application were delivered by the applicant or an employee of the applicant:

- Housing affordability
- Workforce housing
- Flexibility in zoning
- Economic growth

Multiple residents spoke in opposition, citing concerns including:

- Increased density and congestion
- Parking limitations
- Traffic impacts
- Water and sewer capacity
- Loss of small-town character
- Reduced yard space for families
- 5-foot setbacks being too narrow
- Affordability not guaranteed
- Impact on existing property owners

February 21, 2026

Re: Developer's Proposed Amendment to City Code

Aaron, City Council, and Planning Commission:

Once again the City of Irrigon is being pressured by developers to allow them to do something which benefits the developers at Irrigon's expense. The expense I am referring to is an increasing lack of conformity in our community. Conformity may not sound important when first considered, but it is important to appraisers and to lenders. It is important to homeowners, homebuyers and people who want to build a home in Irrigon. For what they are worth, here are my thoughts on this zoning change.

People who want to build or place a home generally prefer to build that home in a neighborhood of similar homes. Irrigon has very few building sites in areas with any conformity. Same problem with existing homes. We have a few streets with several site built homes in a row (very few) but almost no neighborhoods that do not include single or double wide mobile homes or manufactured homes. I am not trying to knock mobile and manufactured homes. I have owned them in the past and still own one today. I may live in one again when we downsize. But this is not conformity and may not be a choice location for many people to buy or build. We have nice homes along side of singlewide mobiles from 1970s,

Mobile homes were placed in Irrigon in significant numbers at least as far back as the Seventies. We had codes in Irrigon at that time but they were very loosely written. Irrigon was hungry for development in the Seventies so there was little regulation. Irrigon had a very nice couple who lived here and acted as developers, along with a manufactured home sales business on Hwy 730. In addition to a basic lack of conformity throughout Irrigon, this development boom left our small community with 4 large mobile home courts which are still here today. It also left us with much higher percentage of mobile homes compared to neighboring communities.

In the Nineties another developer, Dan Biamonte came to Irrigon and developed 3 small subdivisions and placed manufactured homes on them. Biamonte also pressured the City in various ways. Some of the homes were set on flag lots to allow for more lots and more homes on small pieces of land. Some got garages or carports but some did not. You can see these developments on Division St, Crimson and Clover off of E Idaho, and corner of S First St and Nevada.

Conformity does matter. As a new realtor in 1994 I was told repeatedly "You can't get that much out of that house because it's in Irrigon." That was the mantra of the realtors then. Upon asking appraiser Doug Barak, I was told that the price difference compared to other communities was 10% to 15% lower for the same property in Irrigon. How much of that difference was lack of conformity I do not know but I am convinced at least a part of it was due to lack of conformity. I do believe that Irrigon has overcome most of that but it has taken a long time.

City developed stricter development codes and has enforced them strictly. I commend the City for that. Hopefully, the City will not loosen their codes to allow what looks like high density housing developments in our community which is not a high density area. In addition to subdivisions of high density housing, the change they are requesting to allow 800 sf homes on 4,000 sf lots would include not only their little developments, it would include a lot of other land. Irrigon has homes on many lots that are large enough to allow partitioning into 1 or more additional lots which could each have a home placed on them. The result would not be pretty.

The City has done a good job of implementing new codes and enforcing them in recent years. I am hoping the Council and Planning Commission will adhere to our current codes and appreciate that adhering to them will make Irrigon better. This will benefit our existing homes as well as future development in our community.

Irrigon is no longer starving for development—we do not need to cave in to developers. We already have development occurring here.

Patti Bures

☰ Content

# Conformity in Real Estate: Principles & Valuation (Expert Guide)

Published on 04 February 2026 in Information 11 minutes on read



Image taken from the YouTube channel [birminghamappraiser](#), from the video titled [Appraisal Principle of Conformity](#).

The Principle of Conformity is one of the foundational tenets of real estate appraisal. Simply put, it asserts that maximum value is realized when a property is in reasonable agreement with the standards of the surrounding neighborhood.

This means homes that are drastically larger, smaller, or architecturally distinct from their immediate neighbors often suffer diminished market appeal and lower valuation ceiling. For buyers and investors, conformity ensures stability and predictability in property assessments, while non-conformity introduces valuation risk.

Now, let's dive deeper into the core definition of conformity and why it matters so much to lenders and appraisers.

## The Foundation: What is the Principle of Conformity in Real Estate?

Content

**Key Takeaway:** The principle of conformity dictates that a property achieves maximum value when it is reasonably similar to its surrounding properties within a defined market area.

Real Estate Valuation: Conformity and Neighborhood Standards

## Defining the Core Concept

The **principle of conformity definition real estate** establishes that maximum value accrues to properties that are architecturally and functionally consistent with their environment. This is a crucial foundational element of modern valuation standards, including the Uniform Standards of Professional Appraisal Practice (USPAP).

It asserts that the value of a property is maximized when it exists within **homogeneous neighborhoods**, where structures generally share similar characteristics regarding size, age, condition, and utility. Deviations from the established norm, particularly excessive differences in style or scale, disrupt the market equilibrium and introduce immediate appraisal challenges.

## The Role of Appraisers and Lenders

For financial institutions and secondary market investors, the principle of conformity functions as a critical risk mitigation tool. Appraisers utilize this **appraisal principle** heavily when conducting a **comparative market analysis (CMA)** to establish the subject property's defensible valuation.

The core methodology involves reliably comparing the subject property to recently sold, highly similar properties (comparables). Non-conforming properties complicate this necessary data set, forcing complex adjustments that increase valuation uncertainty.

Market resistance is inherently higher for outlier properties, meaning lenders often view non-conformity as a direct threat to collateral stability. This foundational principle quickly leads to complex decisions about property design and customization.

## Conformity vs. Customization: Where High Design Goes Wrong

**Key Takeaway:** Highly customized renovations often fail to appeal to a broad market, leading to a diminished pool of comparable sales and unnecessary appraisal complexity. When personalization exceeds neighborhood standards, the resulting property value may be lower than the cost invested, generating a measurable loss upon sale.

## The Risk of Aesthetic Obsolescence

While homeowners often seek unique features to differentiate their property, excessive deviation from community norms introduces significant risk. This risk is defined by the potential for rapid **aesthetic obsolescence**, where highly specific design choices—such as hyper-modern fixtures or extremely polarizing color schemes—become immediately dated or unattractive to the general buying pool.

The core challenge for lenders and potential buyers lies in marketability. When **appraising highly unique homes**, appraisers struggle to find sufficient comparable sales (Comps) that

reflect the property's specific features, complicating the valuation process and often necessitating conservative adjustments.

*Real Estate Valuation: Conformity and Neighborhood Standards*  
A property's value is intrinsically linked to its market breadth; narrow appeal directly correlates with reduced final sale price potential.

 You also like

[When Tyranny Becomes Law Rebellion Becomes Duty \(Quote Analysis\)](#)

## Understanding Over-Improvement

The concept of **over-improvement** occurs when the financial investment made in customization or renovation exceeds the maximum achievable market value for that specific location and property type.

In real estate economics, every property is judged based on its **highest and best use**, which assumes the usage must be legally permissible, physically possible, financially feasible, and maximally productive. Custom renovations that drastically elevate the cost structure beyond the typical neighborhood ceiling violate the financial feasibility requirement.

 You also like

[Juliet and Lady Capulet: Analyzing Their Dysfunctional \(Transactional\) Relationship](#)

For example, installing a commercial-grade, multi-station kitchen in a modest suburban starter home constitutes a measurable over-improvement. Although the construction cost may be \$100,000, the market may only recoup a fraction of that expense because surrounding properties establish the pricing ceiling.

Lenders view properties exhibiting clear over-improvement as greater risks because the eventual resale value is anchored firmly by the neighborhood average, regardless of the individual owner's personal investment.

To avoid these pitfalls, we must examine the tangible ways neighborhood standards are enforced and maintained.

## Practical Applications: How Conformity Affects Valuation and Sales

**Key Takeaway:** Valuation hinges significantly on a property's adherence to community standards, meaning highly customized or over-improved features can trigger the **Principle of Regression**. Lenders and appraisers view deviation from established norms as a direct risk factor that limits **market acceptance** and reduces the pool of willing buyers.

Category	Description	Impact
Size/Style Difference	Home 50% larger than neighbors	High valuation cap/Regression risk

Category	Description	Impact
Real Estate Valuation: Conformity and Neighborhood Standards Deviation	Area	Buyer pool
Material Quality	Luxury finishes far exceeding local standards	Over-improvement/Wasted capital

The core function of **real estate appraisal principles explained** is to estimate a property's market value based on the actions of typical, rational market participants. When a property deviates significantly from the surrounding properties, it creates complexity in the valuation process. The critical issue is the lack of comparable sales data, which makes the appraiser reluctant to assign a higher value.

Highly personalized or unconventional renovations often fail the test of broad market appeal. These unique features increase the potential for **functional obsolescence** or **external obsolescence**, depending on how they clash with established neighborhood expectations. This directly translates into lower valuation caps imposed by lenders.

## Homogeneity and Market Appeal

**Conformity** is intimately linked to the concept of **market acceptance**. A neighborhood defined by predictable size, architectural style, and quality provides a stable environment for buyers and lenders. This homogeneity assures buyers that the property's value is supported by similar, demonstrated sales.

When an owner undertakes a bespoke renovation—such as installing highly specialized fixtures or radically altering the facade—they risk limiting the potential buyer pool. While the owner may value the uniqueness, the majority of the market seeks reliable, transferable, and conventional housing stock. Appraisers must disregard capital expenditures that are unlikely to be recovered in a typical sale.

The economic consequence of non-conformity is most often seen through the **Principle of Regression**. This principle states that the value of a superior property will be negatively affected by the presence of surrounding, lesser-quality properties. A luxury, custom-built home situated among moderate, standard homes will rarely achieve a commensurate valuation due to this external drag.

## Zoning, HOAs, and Standardization

Formal regulatory mechanisms significantly enforce standardization within communities, thereby guaranteeing a baseline level of conformity. **Zoning ordinances** dictate minimum lot size, setback requirements, and density, preventing wildly disparate development patterns. Adherence to these laws is the foundational requirement for legal conformity.

In planned developments, **HOAs (Homeowners Associations)** elevate conformity requirements to an aesthetic level. These associations use Covenants, Conditions, and Restrictions (CC&Rs) to govern everything from paint color to roof materials and landscaping. Violations of these rules can trigger fines or mandatory removal, severely impacting a property's marketability and appraisal.

From a valuation perspective, adherence to both **zoning ordinances** and **HOA** rules minimizes risk for the lender. Non-compliant structures are inherently risky because they may require

Real Estate Valuation: Conformity and Neighborhood Standards  
value.

Given these rules, owners must develop clear strategies for ensuring their property enhancements contribute positively to value.

## Strategies for Maximizing Value Through Consistency

***Key Takeaway:** Maximizing appraisal value requires strategic alignment of renovations with prevailing neighborhood expectations, as highly personalized features rarely offer high Renovation ROI. Practical value strategies focus on incorporating standard features that appeal to the widest market, ensuring successful comparable sales evaluations.*

The core challenge for property owners is distinguishing between personal preference and market appeal. While a bespoke, ultra-luxury renovation may increase the utility for the current owner, it often fails the marketability test. For lenders and appraisers, **does conformity increase property value?** The answer is unequivocally yes, because it reduces volatility and expands the pool of potential buyers.

The goal of value maximization is to capture the highest possible return on investment (**Renovation ROI**) during resale. This is achieved by focusing capital on features that are expected and easily valued by the appraisal process, rather than bespoke elements that introduce valuation complexity.

### Renovating with the Neighborhood in Mind

Adherence to the principle of conformity means viewing the property not in isolation, but as an integrated component of its immediate surroundings. This requires a granular understanding of the dominant style, materials, and feature sets prevalent within the tract or subdivision.

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- **Feature Standardization:** Focus renovation budgets on high-demand, standard features. These include universal elements like two-car garages, quartz countertops, and neutral color palettes. These features contribute directly to strong **comparable sales** (comps).
- **Material Selection:** Select materials that match or slightly exceed the quality standards of nearby properties, but avoid materials so rare or niche that they cannot be easily substituted or priced by appraisers.
- **Layout Consistency:** Major structural changes that fundamentally alter the flow (e.g., converting four standard bedrooms into two massive custom suites) often hurt valuation. Buyers seek predictable layouts that meet family needs.
- **Curb Appeal Alignment:** The exterior presentation must align with the neighborhood's visual standards. An overly contemporary façade in a historical, traditional neighborhood creates a stark violation of conformity that appraisers must penalize.

Appraisers rely on the market to dictate value. If every home in the immediate vicinity features traditional wood flooring, installing highly specialized, rare-earth stone flooring will likely not

Real Estate Valuation: Conformity and Neighborhood Standards

## When to Deviate (and Why It's Risky)

Deviation from conformity is sometimes necessary to address deferred maintenance or to incorporate modern amenities (e.g., HVAC systems, energy efficiency improvements). However, aesthetic deviation introduces significant risk.

Highly customized features, such as indoor saltwater pools in a cold climate or commercial-grade kitchens in a standard residential home, often result in negative adjustments during the appraisal process. The appraiser must justify that the market will pay a premium for that specific feature, and typically, it will not.

The risk stems from a concept known as **functional obsolescence** or **super-adequacy**. When a feature is far beyond the reasonable needs or desires of the typical buyer, the excessive cost is considered incurable. The appraisal may assign zero value—or even negative value—to the overly expensive feature because it dramatically limits the potential buyer pool.

Lenders perceive highly specialized homes as high-risk collateral. If they must foreclose, they require assurance that the property can be quickly and easily liquidated. Unique properties inherently require more time on the market and often command lower overall prices relative to their replacement cost.

Understanding these guidelines brings us to our final thoughts on the enduring importance of market standardization.

To visualize how neighborhood standardization translates into concrete value assessments, watch this short video explaining the key appraisal principles at work.

## Watch: The Principle of Conformity in Real Estate Valuation

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We understand that navigating appraisal principles can be complex. Still have questions about conformity or over-improvement? Here are the top queries real estate professionals encounter.

Real Estate Valuation: Conformity and Neighborhood Standards

## Real Estate Valuation: Conformity and Neighborhood Standards

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### Q1: Does conformity increase property value?

While strict conformity does not actively "increase" property value in the way a major renovation might, it is crucial for **preserving stability and mitigating risk**. Properties that conform closely to the neighborhood standard are perceived as less risky investments, which supports consistent market pricing and ensures properties sell within the typical neighborhood price range. Lack of conformity introduces uncertainty, which can depress value.

### Q2: What is an example of non-conformity?

A classic example of non-conformity is the presence of a dramatically different architectural style or functional use. For instance, building a sleek, glass-and-steel contemporary structure in a neighborhood strictly comprised of **Victorian homes**, or converting a residential property into a commercial operation without corresponding zoning changes (if permissible). The resulting **aesthetic and functional clash** creates market resistance.

### Q3: How does conformity affect the "Highest and Best Use" analysis?

Conformity heavily influences the "Highest and Best Use" analysis by defining what the market considers **financially feasible and legally permissible**. Even if a property could theoretically be converted into a denser, higher-earning use (the "highest" earning), if that use violates neighborhood standards or zoning (the "permissible"), it is not truly the best use. Conformity effectively limits the maximum acceptable use to maintain neighborhood homogeneity and value.

### Q4: Is the Principle of Conformity the same as the Principle of Regression?

No, they are distinct but related concepts. The **Principle of Conformity** states that maximum value is realized when a property is reasonably similar to its neighbors. The **Principle of Regression** is the negative consequence that occurs when a property is superior to the surrounding properties, causing its value to be pulled down toward the lower average. A significant violation of conformity often triggers the Principle of Regression because the superior property is not accepted or valued by the market due to its surrounding context.

The Principle of Conformity is a powerful, often overlooked, driver of property value. While individuality is appealing, standardized design promotes stability and maximizes the appraisal ceiling for lenders. By renovating or purchasing within the context of the neighborhood's norms, you safeguard your investment against valuation penalties associated with over-improvement or non-compliant design.

Ultimately, smart real estate decisions prioritize market acceptance over unique aesthetic choices when financial return is the primary goal.



# How Conformity, Progression, And Regression Affect Neighborhood Property Values



<  John

*Sorry - this would not  
move or close.*



A property's value is heavily influenced by three basic appraisal principles. Conformity, the similarity of properties in a neighborhood, supports stable values. Progression is the principle that a property's value is pulled up when it's located in a neighborhood of higher-valued properties. Conversely, Regression is the risk that a property's value will be dragged down by the surrounding properties.

John

Hi there! I'm John from Boston Appraisal Services. How can I help today?

Type your message and hit 'Enter'



subject, as well as how your subject impacts the value of properties in the neighborhood

When you're preparing a valuation either as an appraiser, agent, or investor, you need to understand how neighboring properties affect the value of your subject, as well as how your subject impacts the value of properties in the neighborhood.

The best investment results, either as a business or homeowner, require careful due diligence to gather all the facts and observe every market factor.

Contact Us

## Conformity

An important issue addressed in residential and commercial appraisals is conformity. Conformity refers to the similarity of properties within a neighborhood in terms of prevailing age, condition, size, style, and functional utility.

When a subdivision has a mix of architectural styles that don't complement each other well, or differ in usage, zoning, or functional obsolescence, values tend to decrease compared to communities that exhibit greater similarity among properties.

Conformity is an important issue for investors and private lenders to consider as it can affect the long-term value and appreciation of the property. Although a potential acquisition may appear on its face to be a good deal because of a discount from retail, if the community is in the decline phase, it will experience less volume and appreciation, leading to a tough exit down the road, especially if marketed or held as a rental.

Pay attention to how local government is using its administrative powers to influence zoning, land usage, infrastructure, and note how these trends could support or detract from the potential value of your property. If you're planning to hold your property a



Progression is the idea that when a community exhibits conformity and good overall conditions (c3-c4), but our subject is of lesser condition or utility, the value of the subject is greater than if it were located among properties of similar quality and characteristics.

Essentially, even though you may have a property that hasn't been updated in 60 years, but it's located among homes in a high-value subdivision with mostly modern design the subject's value will be greater relative to a similar home in a below-median community.

The situation where you might encounter progression is when purchasing vacant land or dated homes in a luxury residential subdivision. The real cause behind progression is the increased demand for the land or the opportunity that the parcel represents. As margins can be smaller, by percentage, with HNW renovations, developers are willing to salvage as much of an original structure as possible to keep costs low and offset the premium paid, despite condition, due to progression.

## Regression

Regression is the more common concern when it comes to valuations. Regression is the affect that a neighborhood with poor property conditions or low conformity will have on our subject. This frequently comes up when we have newer built or fully renovated homes or structures in an older-built community experiencing a decline phase. This also relates to the concept of diminishing returns and over-improvement.

When we're planning our renovations, we need to keep upgrades and the overall condition and style of the property in line with the community. If we get excessive, we'll not only likely exceed our budget, we also won't be able to sell the property for enough to cover the unneeded expense.