Break free of lender assignments

Getting more non-lender work in any market

a la mode

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# Table of contents

**Introduction** ................................. 3

**How marketing fits in** .......................... 4
   Marketing vs. advertising .......................... 4
   Expectations ........................................ 5
   Start with what you already have ................. 5
      *Homes in your database* ....................... 6
      *Clients you’ve worked with in the past* .......... 6
      *Procuring new lists* ............................. 7
      *Acting on your lists* ............................ 8
      *Don’t have XSellerate?* ......................... 9
   What about social media? ........................ 9

**Moving on from lender assignments** .............. 10
   Benefits ............................................. 10
   Consider expanding your product offerings ........ 10
   Markets for consideration ......................... 11
      *Homeowners* ...................................... 11
      *Real estate agents* ............................... 14
      *Attorneys and accountants* ..................... 16
   More ideas ............................................ 18
      *Put an ad on Craigslist* .......................... 18
      *Join the ERC* ..................................... 19
      *Insurance replacement costs* .................... 19
      *Partner with local bail bondsmen* ............... 19

**Using your website more effectively** ............. 20
   Differentiating your website ....................... 21
   Offering unique content ............................ 22

**Conclusion** ........................................ 23

**Appendix A** ....................................... 24

**Appendix B** ....................................... 25
Introduction

If there is one constant in the appraisal industry, it's change. Yet when the mortgage market slows down, many appraisers struggle to keep busy. And on top of that, new regulations mean that the liability associated with the day-to-day work of an appraiser is only going up. That adds stress and headache that you don't need.

But, hang in there. With a little bit of effort and outside-of-the-box thinking, there's still plenty of work out there to keep you busy year-round, especially during traditionally slow times. That's being counter-cyclical. And if you pine for the days where you could write your reports the way you saw fit, then moving away from traditional lending business may be your best course of action. Many appraisers find the work more rewarding and less stressful than traditional short-turn-time mortgage assignments.

We're here to help. Our goal is to help appraisers (not just our own customers, but all appraisers) to be as successful as possible, no matter the market conditions. That's why we've written this eBook. As the leader in appraisal software, we have a vested interest in your success not just today, but in the future as well.

This eBook gives you the resources to help leverage leads you already have (but may be overlooking) as well as pointing out potential new customer markets — and services — you could be offering.
How marketing fits in

With the advent of the HVCC several years ago, direct marketing to lenders became less of a priority for many appraisers because of how it changed the relationship between these two parties. Most appraisers felt like there was little to nothing to be gained because regulations dictated who and how lenders could contract and communicate with appraisers. But, there are no regulations preventing you from advertising your services to non-lending clients. In fact, these types of assignments won’t just fall into your lap, so a good marketing plan is a necessity to capture them.

The clients who order these types of assignments aren’t working from a panel of appraisers they have on-hand. Just like any business owner, you have to convince them why you’re the best for their needs. That means being able to effectively communicate what you do, and how that solves a problem they’re having. Many times these relationships start as one-off assignments, but with a little effort you can retain those new customers as permanent or recurring clients.

Marketing vs. Advertising

But what is marketing? And how does that differ from advertising? Many appraisers have these two terms confused, or they think that they’re one and the same. But they’re not. Marketing is the process of building a trust relationship with your potential customers. That effort pays off later when you ask them to buy your product or engage your service. Advertising is the act of sending out postcards asking for business or running an ad in the Yellow Pages.

Think of it like farming. Everything you do leading up to the harvest is “marketing.” Planting the seeds of your service and product offerings. Watering them with good recurring messaging that keeps you fresh in their minds, answers common questions, and demonstrates you know their pain points and can help them. Then, when you’re ready to harvest, you do that through “advertising.” If you’ve done good marketing over time, you’ll have more effective advertising when it’s time to reap that crop.

Anything we do that leaves an impression with an existing client, contact, or potential customer is marketing. What kind of marketing are you leaving with your clients right now? What impression do they have of you? Remember, you reap what you sow.

Since almost every person you come in contact with is a potential client, consider the impressions you make anytime you interact with the public. Whether it’s an informal conversation, the recorded greeting on your voice mail, the layout of your business card, or even how clean your car is — everything is marketing.

**Here’s an example:** Airlines spend millions of dollars a year on huge advertising campaigns. Yet, have you ever had a bad experience at the ticket counter or dealt with a rude flight attendant? What’s your overall impression of that airline at that point? Does it matter how many millions they spent last year on advertising? One bad impression invalidates the whole advertising plan, and you’re unlikely to book your next flight on that same airline as a result.
Expectations

So, considering the differences between advertising and marketing, let’s look at what to expect out of your marketing and advertising. Obviously, when you’re farming, you don’t plant seeds on Monday and harvest the next day. In other words — you shouldn’t expect an immediate result. By the same token, don’t be discouraged when good, consistent marketing doesn’t produce immediate results. Instead, look for consistent gains over time, and better responses to your “harvesting” direct mail pieces and calls as a result of consistent marketing. And don’t worry, we’ll show you ways to maximize your potential returns. Repetition and consistency is key. Many of your potential clients will need to see or hear about your services several times before they act. So don’t lose hope. Keep at it, and you’ll be successful.

Start with what you already have

How many completed appraisals exist in your TOTAL File Manager right now? Hundreds? Thousands? What about the number of contacts in your Contacts Database or Outlook? You’re probably sitting on a gold mine of data for potential repeat customers you could be leveraging better. So before we talk about the “how” and “what,” let’s talk first about the “who.” That’s where lists come in.

What are lists? They’re pretty much exactly what you think. A list of contacts that might include names, addresses, phone numbers, e-mails, etc… More importantly, they’re a way to segment and organize your potential clients for marketing purposes. You may have many lists, and a contact could appear in more than one list.

Lists are how you target your specific advertising messages so that you can tailor your message to each type of client. This is important because messaging that is specifically designed to address the reader’s pain points will resonate more with them, resulting in a higher likelihood that they will contract you for service.
Start with what you already have (cont’d.)

Homes in your database

Start by looking at your completed work. Can you export the list of addresses for your previous appraisal reports into a spreadsheet? If not, consider contracting someone (college kids or family friends, for example) to create a spreadsheet that contains the address information so that you can use it in a campaign. You don’t need to worry about the borrowers or homeowners. Most of the time, you can market to the “current resident” and it will be as effective. That way, if the property has sold, it won’t get discarded automatically.

This list of addresses is your starting point for a powerful marketing strategy. With market fluctuations occurring all across the country, homeowners want to know what their biggest asset is worth. You’re the most uniquely qualified person to help them make this determination, with more knowledge about the neighborhood and how the local economy is affecting it than anyone. And because you’ve appraised their property before, you know more about it, which is a real advantage.

But they won’t know that unless you tell them. Take that list and drop it into an e-mail marketing campaign (you could use our XSellerate product, or similar service) that leverages your prior experience with the property and describes the services you can help homeowners with. You’ll pick up repeat business and begin to build word-of-mouth referrals.

This becomes your “Current Homeowners” list. This is a list worth paying for, but you don’t have to. It’s already yours.

Clients you’ve worked with in the past

If you’re not marketing to your existing clients on a recurring basis already, you’re doing yourself a disservice. You want to stay fresh in their minds for when they need another assessment, and you want to be recognized as the most experienced and qualified appraiser to do business with. That’s even more important anytime the market changes. Whether the market is improving or worsening, homeowners will be looking for ways to modify their mortgage. And any loan modification is going to need an appraisal.

Much like your homeowners list described above, you can use the data from your existing contacts to build this list. Just export your contacts from your formfilling software, or your e-mail client, into a spreadsheet. Remember to add any new clients you gain over time to this spreadsheet as well.

This is your “Clients” list. Use it to solicit new business directly, but consider leveraging it in conjunction with other demographic information about your contacts as well to stay fresh in their minds.

Tip — Segment your lists: You might want to consider segmenting your “Clients” list even further, into more specific demographics. For example, you might want to have “All Clients”, but also “Local Banks” and “AMCs”. A narrower scope of identification for each list means you can be that much more specific in your messaging.
Start with what you already have (cont’d.)

Procuring new lists

Of course, you don’t have to only use the contacts you already have. There are lots of creative ways to acquire new lists from a variety of sources. Consider these ideas:

- **Call the Chamber of Commerce** and see if they can give you a list of all the registered attorneys and/or accountants in the cities you service. Often you can get this list for free!

- **Networking groups** like small business coalition meetings, church groups, or other get-togethers are a great opportunity to swap business cards and build your list organically.

- **Consider doing a “Market Conditions Summary” meeting** for local REALTORS on a monthly or quarterly basis. Pass around a sign-up sheet with fields for their phone numbers and e-mail addresses and you now have an “Agent” list. You also get the benefit of face time with them, which increases the likelihood of getting direct referral business from them.

- **Build a homeowners list** by asking for e-mail addresses when you schedule appointments. Then, e-mail a reminder on the morning of their appointment. You can also market to them for referral business, since someone they know will probably need an appraisal someday.

- **Check your state’s Bar association website** to see if they list members online by area. Also, consider offering your services to the Bar association to participate on any CE panels they have for their members related to topics you have expertise in. Just make sure you take plenty of business cards for networking afterward!

- **Search on LinkedIn’s website.** Even with a free account, you can search for and participate in groups of peers and related industry groups. For example, searching for “Dallas Attorneys” returned several group suggestions, including the DFW Texas Lawyers and Attorney’s group with 1,261 members.

- **Make sure your website is capturing visitors** by offering useful and interesting content online, and includes lead capture forms. For valuable content, consider making visitors enter their information before accessing it.

- **Buy a list online.** There are many marketing companies online. A quick Google search for your target demographic and the word “list” will return lots of options. Or check out www.InfoUSA.com.

It takes time, but you’ll be surprised how quickly your lists grow.
Start with what you already have (cont’d.)

Acting on your lists

Once you’ve made your lists, it’s time to put them to work in your mailings, e-mails, and direct phone calls.

With XSellerate, you can use our professionally designed and pre-written postcards and e-mails to get your campaign started today. It’s quick and easy to import one or more of your lists, and then schedule them to receive your messages over time.

What’s a “campaign”? A campaign consists of multiple scheduled contacts for a specific list over time. This could consist of different types of contacts, such as e-mails, postcards, and follow-up calls.

After your initial contact with each prospect, follow up with them. Depending on your list, that may mean additional e-mails or flyers, a phone call, or an in-person visit (most effective for lenders and attorneys). Don’t stress about contacting them. You may be tempted to just send a postcard or e-mail, but you’d be shocked at how successful a phone call can be. Even if you’re not a “salesy” type of person, reach outside your comfort zone for that phone. You’ll be happy you did, and every order you get over the phone will make it that much easier to do again and again.

Tip — Company branding: A quality logo and consistent company “style” (known as branding) goes a long way to projecting the type of professionalism that attracts new clients. Make sure you’re using an e-mail address that reinforces that brand, too. If you got e-mail from FlyFisher47@yahoo.com and Bob.Johnson@VCAppraisals.com, which would leave a better impression on you?

Reinforce your branding consistently in every medium you use, including business cards, e-mail signatures, fax cover pages, social media pages, voicemails, websites, etc.
Start with what you already have (cont’d.)

Don’t have XSellerate?

Not to worry. There are other options out there, like Constant Contact or Mail Chimp, but you’ll have to write your own content from scratch. Or manage the campaign process manually yourself using your own e-mail client. Just make sure you read up on CAN-SPAM and make sure that you give your potential customers a way to “opt-out” of your marketing messages.

Learn more about CAN-SPAM online: http://alashort.com/1czSNyf.

What about social media?

In today’s highly-connected market, most potential customers are more likely to search for an appraiser online. So aside from having a good website (another important piece of your marketing puzzle), being visible and engaged in social media is a great way to attract these customers and their referrals.

The primary places to attract new business on social media are Facebook and Twitter. These sites have been around for many years at this point and are both mature and highly trafficked. Set your business up with a “Page” on Facebook, ensuring it matches your overall branding image. In many cases, you can tie your Facebook and Twitter accounts together so that your posts on one show up on the other automatically.

Your posts should also reflect your branding. Use it to field questions about what you do, provide links to interesting articles about home improvement projects, and discuss the services you offer and how they may benefit a potential page visitor. Remember, social media is going to attract mostly individuals: Homeowners. So tailor your content in these venues to this type of customer primarily.

LinkedIn is a great professional network to use for networking and it’s perfect for showcasing your expertise. Join local groups, especially those geared toward real estate, and participate.

People expect social media to be engaging, so make sure that you’re proactive about responding to your visitors’ questions and comments (good and bad) in a timely manner. That will go a long way towards cementing that lead and converting it to a paid customer down the road.
Moving on from lender assignments

Benefits

Let’s face it: appraisers are continuously being subjected to new regulations, client requirements, and liabilities when dealing with traditional lending assignments. And oftentimes clients are asking for shorter turn times for the same or lower fees. Luckily plenty of nontraditional appraisal work is out there. Plus, we’ve talked to many appraisers over the years who’ve transitioned their business almost entirely away from lending assignments and make a profit.

Consider expanding your product offerings

To start with, consider expanding your product offerings to include a wider range of appraisal services. Too often, appraisers get caught up in the mindset that if an assignment isn’t done on a 1004, that’s not a “real” appraisal or that it’s not legal. That’s simply not true. It’s all defined by your scope of work.

Another hang-up for many is that simpler assignments oftentimes don’t bring in the same “per report” cost as a full URAR. Desktop appraisals, for example, may be a cheaper final product, but when you take into account the fact that you’ll spend less time per assignment on this type of work, the hourly rate oftentimes comes out roughly equivalent. The point being that you should continually re-evaluate yourself to make sure that your product offerings are meeting the needs of your market.

You might also consider expanding your expertise and knowledge by taking additional courses or getting certified for a new type of assignment. For example, if you haven’t done the legwork to get FHA certified, that could be another product to offer. Or if you’ve got credentials you’re not actively using (are you on the ERC or VA’s approved appraiser list, for example?) could you tie that in with a marketing campaign or list to target a new group of customers with a service you already have?

Many times, getting business from a new group of customers is as simple as re-thinking or re-positioning a product or service you already offer in a new way. For example, what about a “cost-approach” only product marketed to insurance agents or directly to homeowners as a way to combat their high insurance premiums? You’re taking a service and product you already do (the cost approach), and packaging it up in a different way with a new target customer in mind. Do this on a general purpose form (such as the GP Consumer in TOTAL) and charge an appropriate fee.

What’s your hourly rate? You need to know. If you don’t know what your hourly rate is, you need to calculate it. Take the average amount of time you spend on a typical 1004 report and divide it by your normal pricing. That’s your hourly rate. (For example, if you charge $400 for a full 1004 and it takes you four hours, your hourly rate is $100/hr.) Use that number to price alternative products appropriately based on how long they take you to complete.
Markets for consideration

In order to give you some direct ideas that you can act on now and potentially begin getting revenue from, we’ve come up with five specific groups of customers you could target. We cover several types of products you could offer to each of these groups as well.

Homeowners

Homeowners are great for generating lots of new business. Marketing to this group will consist of heavy direct marketing, as well as referral business. When you get business directly from a homeowner, make sure you’re presenting the best image possible. Simple things like being on time, looking professional, leaving a few business cards, and placing a flyer about your services on the windshield of the cars on the same street will go a long way to leveraging these assignments for more work later.

But what services can you offer this group? Here are a few we came up with:

FSBO

Homeowners looking to sell their home on their own want to save money by avoiding commission fees, but in many cases they don’t have any real idea what their house is worth, or what they should list it for. In most cases, their only real marketing plan is to stick a “For Sale by Owner” sign in the front yard and hope for the best.

This is your opportunity to offer counsel and a service to help them move their property on their own and save money. Without your advice and value opinion, their house could sit on the market for months with a price that’s too high, or worse yet, sell quickly because the asking price is too low. Having a current appraisal helps justify the asking price of the property. Plus, a current appraisal can help speed up pricing negotiations and give buyers peace of mind knowing what they can expect a lender to loan on the property.

Some appraisers worry that homeowners may refuse to pay an appraiser if they don’t like the valuation on the property. But this concern is usually overblown, and you can address it in a couple of ways:

1. Educate the homeowner about the appraisal process beforehand. (See the “What is an appraisal” sheet on page 25 for reference.) Explain what appraisers do, and why your fee can’t be contingent on any pre-conceived price.

2. Collect the fee up-front to ensure this is never an issue. FSBO appraisals aren’t loan-related, so there’s no reason you can’t do this. Just set the expectations from the beginning. (If you’re using an Appraiser XSite, you could alternatively make delivery and download of the final PDF contingent on payment. It’s a built-in feature.)
Markets for consideration (cont’d.)

Something else to consider when marketing FSBO services is how you present the final product. Homeowners aren't familiar with appraisal terms, or forms like the 1004. These users need a product that they can understand. Consider completing these assignments on a general purpose form, such as the GP Consumer form available in TOTAL. If your software doesn't offer general purpose or consumer-friendly forms, add a cover page that summarizes key data points of the appraisal.

Think about putting together a package deal that includes these items for your FSBO customers:

- A letter (on your letterhead, to reinforce your branding) explaining the value of an appraisal for FSBO listings. Include suggestions on how homeowners can leverage the appraisal in their selling process with potential buyers.
- The “What is an appraisal” sheet on page 25.
- 3-5 business cards, with a note about how you appreciate referrals.
- A report about market conditions for their neighborhood. This helps to set their expectations for how long their property might be on the market. Include information about days on market, average selling prices, etc.
- A page with a link to the online listing you created for their property. You can do this as a service to a homeowner and pass the minor cost on via this package.
- A copy of the appraisal, in a format that people unfamiliar with the appraisal industry can understand.

You could deliver this package in PDF form via e-mail, or you could mail it to them, or both. Your branding and service are reinforced in their mind when they see it in multiple ways.

**Single property websites:** Many homeowners don’t have the experience or means to create a website for their FSBO listed property. But you can provide one as part of your FSBO packet and pass the cost on. If you have an Enterprise Appraiser XSite, this is included with your site. Otherwise, you’ll find that our Property XSite is a great way to handle this at just $39 for one year.
Markets for consideration (cont’d.)

Tax challenges
Each year, many homes in America are over-assessed. And if your assessment is too high, then so are your taxes. It’s an area where you as an appraiser are uniquely qualified to help. Tax authorities are required by law to allow property owners to dispute their tax assessment if they think it’s too high. Establishing a home’s true market value can help to determine if they’re paying too much, and it’s the only way to contest the proposed higher taxes.

Be familiar with the window for appeals in your service area, and have a campaign ready to send to the homeowners in your list about how you can help them with the information they need to fight to get their taxes lowered. An important point to make is how the cost of your appraisal is minimal compared to money they could save each year on their taxes.

PMI removal
Much like tax challenges, PMI removal is all about saving the homeowner money. In this case, it’s the private mortgage insurance required by most loan originators on any loan made over 80%. Many homeowners don’t know that they can have this removed at a time when their equity exceeds 20% of their loan’s value. More to the point, many homeowners don’t consider how their home may have appreciated in value, accelerating the point at which they could have PMI removed and start saving that money. Faced with reliable data from an appraiser, many mortgage companies will remove the PMI with little trouble.

If a homeowner is paying for PMI, it should be a line-item on their monthly mortgage statement. In your marketing, advise homeowners to examine their statement and call you for a consultation if they see it, especially if they’ve been in their home for some time.
Markets for consideration (cont’d.)

Cash buyers/investors
If a lender requires an appraisal to support their investment and justify the risk of lending money to someone, why wouldn’t a private buyer paying cash want to do the same for themselves?

For these types of buyers, one of the biggest challenges is independently verifying key property features, like the property’s measurements and square footage, its zoning, taxes, and flood zone information. Cash buyers are going to want the most honest and accurate opinion of what a property is really worth so they can make a decision.

In fact, consider partnering with a local home inspector to offer a bundled package where the cash buyer or investor can get a home inspection and an appraisal together.

Point out in your advertising to these clients that information in the MLS can be inaccurate, and frequently relies on the county assessor, who may not have been out to physically see the property in years, if ever. Other property details are represented as the listing agent and/or seller see fit, which will always tend to favor their opinion on condition and marketability.

This is a service worth mentioning to local REALTORS that you offer, as well. (Remember, everything you do is marketing, including educating other parties in the transaction chain.) Tell them that it’s in their best interest as agents for these types of buyers to recommend they get an appraisal from you as it ensures their client is getting what they’re expecting and to reduce liability on the agent’s part.

Real estate agents
Targeting real estate agents is similar to communicating with homeowners, but you’re building a longer-term relationship, and want to partner with them to get new recurring business on a regular basis. They deal with sellers who sometimes have exaggerated ideas of what their home is worth because of free Internet valuation services, dramatic swings in the market, and other factors. Agents want these listings, but it’s a waste for them and their client (the seller, in this case) to spend 60 days on the market just to convince them to lower their price. It’s a sure thing that 60 days on the market will cost both the agent and seller a lot more than your pre-listing appraisal fee would be.

But there are other services you can offer an agent, and ways that you can increase revenue by working hand-in-hand with agents. Check out the following ideas for a few:
Markets for consideration (cont’d.)

Pre-listing analysis packages
Work with an agent (or agents) to put together a pre-listing referral package or packages for potential sellers. You could consider adding the following items to this package:

- Sketch and measurement
- Neighborhood study
- Photos
- Video walkthrough
- Appraisal w/value opinion

Or build multiple packages that give sellers pricing options. Build a package that excludes the value opinion and instead focuses only on verifying listing information and providing a study of the neighborhood to offer agents and sellers the information they need to price their property in a reasonable range on their own. You could also simply offer measurement and sketching services to the agent for verification purposes.

Consider working out a referral fee for these types of assignments where you pay the agent a set amount for each job that ends up turning into an assignment. (Don’t worry, USPAP says it’s OK! It’s covered in questions 37 & 38 in the FAQ, page F-16, in the 2014-2015 edition if you want to double-check.)

Alternatively, you could put together a service where you’re simply verifying property information for an agent directly prior to entering the listing into the MLS. $150 for 30-40 minutes worth of work measuring, taking pictures, and noting any discrepancies between reality and prior listings or sales is easy money.

Tip — Save the data: Any data gathered as part of one of these pre-listing assignments should go right into your comps database and be saved as a report in your formfiller as well. That way you can use it later if that assignment ever turns into a full appraisal at any point.
Markets for consideration (cont’d.)

Attorneys and accountants

This group of customers requires some additional legwork from your marketing efforts in order to maximize the return you get from them. Attorneys are a professional group. They’re not interested in short turn times or low costs. Attorneys are primarily concerned with credibility and expertise. So make sure that your marketing to these customers reflects these themes. They want to know that your reports will hold up in court, and that your credibility is unquestionable should you be called to testify about your appraisal.

In addition to your other marketing efforts, like e-mail and postcards, it’s in your interest to stop by and talk with these clients in person. (Don’t show up in jeans and a t-shirt, though.) Understand how these clients work. Oftentimes, they’ll be too busy to take calls or unscheduled visitors immediately so get familiar with their office staff. In many law firms, the office manager holds the keys to the kingdom when it comes to schedules and is more powerful than most people realize. Talk with them to find out what an attorney’s appraisal needs are, and whether they already use a specific appraiser. Ask them if they got your postcard. Follow-up with a handwritten thank you note for taking the time to meet with you.

Donuts are cheap!

Here's an idea that will be sure to keep you in the minds of potential clients like attorneys and accountants. Drop off a box or two of donuts on your way in to work Monday morning. Make sure there’s a business card or flyer attached with your contact information. Follow-up with a phone call later in the week to discuss what you can offer.

One important point to consider when working with attorneys and accountants is court time. Make sure that your engagement letter for any assignment that could potentially go to court clearly spells out your rates and responsibilities. Many appraisers charge an additional fee to appear in court, so don’t leave money on the table. Remember, attorneys want to work with people who are reliable and who will help them win cases. If you’re that person, say so.

Here are some examples of the work that you can do for attorneys:

Divorce

This is an obvious one for most people. In divorce work, both sides will usually get an appraisal in an effort to understand what marital assets (in this case, the primary residence) are worth. In some cases, the parties will agree on a single appraiser. Typically, the intended use is the valuation of marital assets, and they’re looking for a pretty common “as-is” value to help the court determine an equitable split of assets. If the divorce gets nasty, you may be contacted to review other appraisals already obtained by either or both parties, and may be called to court to defend and/or explain your appraisal.

Your marketing for this type of assignment should stress how you’re an independent and disinterested third party, and how your value is objective based on the true conditions of the property. It also helps to stress any experience you have testifying and defending your appraisals in court.
Markets for consideration (cont’d.)

Bankruptcy
Bankruptcy assignments are an exception to the speed and turn-time rule when dealing with attorneys and accountants. In most cases, they’ll be more concerned with accuracy, reliability, and credibility, and speed won’t play as much into their hiring decision. However, with bankruptcy work, that doesn’t hold true. For a bankruptcy assignment, they’ll want the value to be as close to the filing date of the bankruptcy as possible, so your ability to service this assignment quickly on top of the other important factors will help you get these assignments.

It’s not uncommon to see BPOs being used to establish the bankruptcy value. However, as an appraiser, you’re better to establish this value because it will be a more accurate and impartial opinion of the true value of the assets that make up the bankruptcy. You may need to educate your clients why an appraisal is better for this than a BPO, and why it’s worth paying more to engage you.

Because there’s a risk of not getting paid if an already cash strapped customer doesn’t like your appraisal value, make sure you contract your fee up front. The good news is that these assignments rarely go to court, so you shouldn’t have to worry about additional time invested. Like with any work for an attorney, make sure your engagement letter is clear as to what is and isn’t included with the appraisal cost. You’ll win points with your attorney clients dealing with the bankruptcy by ensuring your report is in an easy-to-read format that the judge can easily peruse.

Using the correct form: For these types of assignments, you’re going to want to write your reports on a non-lending form. Fannie Mae specifically says that the 1004 should not be used for non-lending assignments, yet we see appraisers do this all the time.

For a better alternative, check out your software’s “non-lender” forms. If you’re using TOTAL, you’ll have an entire category of forms called “General Purpose” to pick from. For details on our GP form series, check out www.alamode.com/gp.

Condemnation
When all or part of a property is condemned as part of the eminent domain process, the condemning party is required to offer the property owner “just compensation” for what is being taken. When a property owner disagrees with the value offered, they may need an appraisal to provide a fair and impartial opinion of value in order to get that fair and just compensation.

These types of assignments are almost guaranteed to require court time to defend, so make sure that your marketing specifically mentions your expertise in court, and also that your engagement letter for these assignment types clearly states what your hourly rate for court time spent is.

Solving tax problems
Accountants will often have a variety of tax related issues that you could help them with. Things like property donations, IRS tax values, liquidation valuation, appraisal reviews, and so forth. The important thing here is to effectively communicate to these clients that you’re a problem solver and that you can work with them to understand the issue, and provide the right valuation solution.
More ideas

Attorneys, agents, accountants, and homeowners aren’t the only choices you have. With some creative thinking, there are lots of other things you can do to help boost your business in a down market. For example, check out the ideas below:

Put an ad on Craigslist

Advertising on Craigslist is a great (and free!) way to increase your exposure to homeowners and other clients. Craigslist offers a “Services” section where you can list your services under categories such as “Real Estate” or even “Skilled Trade”. The service is simple, but highly trafficked.

Here are some tips for effectively using Craigslist:

- Craigslist is divided into different market areas. If your service area covers more than one major metro area in a state, make sure that you’re listing your ad in all your covered areas.
- Use keywords for your service and product offerings. (e.g. “Divorce appraisal”, “Tax Challenge”, or “List Price”.)
- Make sure that you’re reinforcing your company identity and branding.
- Summarize your coverage area and services offered.
- Make sure you include contact information!
- Add a photograph to help your ad stand apart from others, or consider uploading your logo as an image to the ad.
- Remember to refresh your ad on recurring basis. Reposting the ad on a monthly basis brings it back to the top of the list when people are browsing without searching for specific terms.
More ideas (cont’d.)

Join the ERC

ERC (Employee Relocation Council) work requires some effort to get setup, but typically results in high fee, short turn-time work. You’ll need to be listed in the ERC’s list of approved appraisers (http://www.worldwideerc.org/Membership/Pages/relocation-appraiser-membership.aspx), and you’ll need to be qualified to do this type of work.

Once you’ve completed the background work, include this in your marketing to agents that do ERC work. Look for the ERC logo on their website, business card, or flyer. Like you, they’ll be marketing to people in need of the service. Just be aware that turn-time is going to be important for this type of assignment. The relocation company is often in a hurry to move the affected homeowner so they can get going with their new job. Make sure to highlight your responsiveness and turn-time in your marketing message.

Insurance replacement costs

Much like tax challenge work, homeowners may want to contest the value of their home in order to get their homeowners insurance premiums reduced. An appraisal is the only way to do this. And you can market this service directly to homeowners, or work with local insurance agents by educating them about your service.

Partner with local bail bondsmen

One idea that usually gets overlooked is calling on your local bail bondsman. It’s not uncommon to use assets like a home to secure a bond. Naturally, the bail bondsman is going to want to know if an asset can cover the bond, so they’ll usually need an appraisal to tell them.

Turn-time is going to be an important factor here, but the good news is that these jobs will often pay cash up front. You’ll need to establish a relationship with the local bail bondsman community. They’ll want to know that you’re experienced and can work quickly. Consider calling on these potential clients in person, then following up with postcards and/or personal phone calls.
Using your website more effectively

Is your website active? (You do have a website, right?) If the answer to that question is no, then you need to make a point to invest time on an ongoing basis into keeping your website current. Effective use of your site requires that the content be updated on a regular basis, otherwise search engines like Google and Bing will relegate you down further into the search results when a potential customer is searching for your services.

How can you get ranked higher in the search engines? You’ve got to provide unique, compelling, interesting content that web searchers want. Granted, it’s not easy to provide compelling content, but it’s not as hard as it sounds.

Tip — GhostWriter: Did you know that an Appraiser XSite has a built-in feature to help you easily re-write the content of a page? It can even be set to re-write pages automatically, ensuring your website always has fresh content, an important factor in search result placement.

Does anybody ever call you and ask for professional advice on a specific topic? Do you have a content page regarding that topic on your website? Are you able to give them a specific page on your site where they can find good information that will answer their questions? Or go the extra mile by printing out that page and sending them a letter with an invitation to contact you for an appraisal.

Most importantly, set aside time each week for maintenance on your site. Review the content to ensure that it is still relevant and doesn’t need to be refreshed or updated. Consider adding topic pages to address common questions. If you’re answering the same question from callers or e-mail over and over, maybe it should be a page on your website.

XSites’ Ghostwriter takes your information (e.g. specialties, service areas), cycles them through pages written by marketing experts and remixes them in millions of unique ways.
Differentiating your website

The key to higher traffic is twofold. First, drive your current contacts to your website consistently. Reinforce your unique domain on all your marketing pieces. Treat it as the important resource that it is. Secondly, differentiate yourself for the search engines and for real people. What do you do differently or better than the rest? What areas or what types of expertise do you specialize in? What specific neighborhoods and communities do you serve most? Make sure the answers to these important questions are found on your website.

Major metro areas have dozens to hundreds of appraisers. “Salt Lake Appraiser” will yield a long list of potential appraisers in a search. But “Commercial Appraiser in Somerset Area of Salt Lake” could yield a better result. Use your specific specialties in your keywords and tags on your website. Create custom content pages on your website about them. Tell everybody you know to visit those pages. The more unique your site is from all the rest, the happier the search engines and site visitors will be. The bottom line is that your website needs to be an active, not passive, aspect of your business. You’ve got to lead the drive to use it. Those who generally “set and forget” usually don’t see much change in business. Those who drive usage usually end up pleased at the difference.

Consistent updates work. Your website should portray your business and reflect your expertise. It’s a format for setting you up as a market expert. You’ll get more traffic if you mention your website at every opportunity.

Appraiser XSite is your all-inclusive marketing toolkit for generating non-lender business. Learn more at www.alamode.com/XSites.
Offering unique content

The best way to differentiate yourself from other appraisers on the web is to offer content that potential clients want. It’s relatively easy to set up unique custom content and it doesn’t have to take a lot of time.

Here are some tips:

• **Create a content page that contains info and data about your coverage area.** Include neighborhood info, real estate market data for those areas, and the kind of appraisals you perform in those areas.

• **Consider writing a monthly market report and posting it to your blog.** Include market trends, average price per square feet in various parts of your service area, and any other information about your local market. This piece can do triple duty as part of your FSBO packet, and as a monthly e-mail newsletter.

• **You don’t have a blog? In that case, consider starting a blog.** Blogging helps you establish your professional expertise and gain readers who want to hear more from you.

The blogging world has changed. It’s no longer dominated by angst-ridden teenagers. Blogs are very valuable professional marketing tools used by professionals in most industries, and search engines love them. There’s simply no better way to tell the search engines about your expertise in your geographic area than writing about those areas on a blog.

Enterprise Appraiser XSites come with blogging built-in. They even remind you when it’s time to post a new article.

**Blogging:** Enterprise Appraiser XSites come with blogging built-in. You can author posts and allow comments and feedback (even moderate them). Plus, it will remind you to post new content so you don’t forget, and can automatically submit new posts to search engines to increase traffic to your site.

Wouldn’t it be useful for your business if you had a regular readership? How much business could you generate if REALTORS, mortgage brokers, attorneys, and other professionals felt they needed to visit your site on a regular basis to keep up with the local market? Wouldn’t it help your business if people looked to your site for information that they don’t get anywhere else? Blogging is a relatively easy way to do that.

Use RSS feeds from other sources. RSS (Really Simple Syndication) is an easy way to automatically add new content to your website, without any effort from you. You could set up an RSS feed of news articles from your local area. Or you could set one up that sends real estate market info to your site. It takes just a few seconds to create a page with an RSS feed. These tools are also included with an XSite.

Remember, it’s unique, relevant, compelling content that will differentiate you from the thousands of others out there.
Conclusion

As you can see, you don’t have to be reliant on lender business to make a healthy living appraising. We’ve covered a lot of ideas that you can incorporate into your business to grow in areas that are sustainable and often less frustrating than traditional lender assignments.

Of course, there are other ideas out there too. If you’ve got a good one, we want to hear it. Send an e-mail to MarketingAdvice@alamode.com and let us know how it works.

Lastly, we want to leave you with some actionable items that will help you procure new work ASAP. Happy marketing!

Five quick and easy ideas you can try right now

While many of the ideas discussed in this eBook take time to setup, communicate, and reap the benefits of, there are definitely some things you can do right now to boost your business using tools already available to you. Simple things that will help grow your business and make you more discoverable to potential customers in need of your services.

1. **Leverage your website on all your marketing pieces**, including your business cards, e-mail signature, fax cover pages, etc… Make sure that your e-mail address is @yourdomain.com instead of a Yahoo! or Gmail address.

2. **Start a blog** and update it at least once a week.

3. **Place a flyer targeted to homeowners on the windshield** of 10 cars on the same street or in the same neighborhood of your next assignment. (XSellerate has several already made.)

4. **Order magnetic signs advertising your appraisal business** and make sure they’re on the car or truck you use for your business whenever you’re driving to/from your inspections (or all the time).

5. **Update your voicemail or hold message to reflect your interest in referral business.** Word of mouth advertising is the most effective you’ll ever get. (Good or bad, so remember to always be professional!)
Appendix A

The FSBO letter

You can use this letter as a template to craft your own letter, or you can print out this letter on your own letterhead. This document contains PDF form fields, so if you want to use it as-is, you only need fill in the fields and print it out.

XX/XX/XX

Dear Homeowner,

As you’ve likely already discovered, selling your home yourself is hard work. Let me tell you how I can help you sell it faster and for the right price.

A professional appraisal can shorten your time-to-sale and make sale negotiations easier. It can give credibility to your asking price and can effectively end haggling. When you have a current appraisal on your home, prospective buyers feel more confident in your home and in their ability to secure the financing to buy your home.

A professional appraisal is an independent third party’s opinion of your home’s value. When you show the home, the appraisal is a concrete selling tool, showing potential buyers that you are serious about your price and about selling.

I have (years) years experience appraising homes in (city name) and I have a very good understanding of the local market. I’d love to discuss how an appraisal can help you sell your home more quickly. Please give me a call at ((area) prefix-number) or e-mail me at myemail@mydomain.com. I look forward to talking to you about your home.

Sincerely,

Appraiser Name
Appraiser Company
www.mydomain.com
Appendix B

The “What is an appraisal?” document

An appraisal is an unbiased estimate of what a buyer might expect to pay — or a seller might expect to receive — for a parcel of real estate, where both buyer and seller are informed parties. To be an informed party, most people turn to a licensed, certified, professional appraiser to provide them with the most accurate estimate of the true value of their property.

The inspection

So what goes into a real estate appraisal? It all starts with the inspection. An appraiser’s duty is to inspect the property being appraised to ascertain the true status of that property. He or she must actually see features, such as the number of bedrooms, bathrooms, the location, and so on, to ensure that they really exist and are in the condition a reasonable buyer would expect them to be. Most important, the appraiser looks for any obvious features or defects that would affect the value of the house.

How valuation works

Once the site has been inspected, an appraiser uses two or three approaches to determining the value of real property: a cost approach, a sales comparison and, in the case of a rental property, an income approach.

• **Cost Approach** — The appraiser uses information on local building costs, labor rates and other factors to determine how much it would cost to construct a property similar to the one being appraised. This often sets an upper-limit on the price of the property.

• **Sales Comparison Approach** — To come up with a sales comparison valuation, the appraiser compares other homes that have sold recently in the area, then adjusts for improvements, condition of the home, square footage, local market conditions, and other factors.

• **Income Approach** — In the case of income producing properties, the appraiser may value the property on the amount of income the property produces and is likely to produce in the future.

• **Reconciliation** — Combining information from all approaches, the appraiser is then ready to propose an estimated market value for the subject property.