

Building Your Real Estate Investment Team

Whether you like it or not, you can't do it all by yourself. Investing in real estate requires many different professionals. There are Realtors, appraisers, inspectors, builders, renovators, mortgage companies, banks, property managers, attorneys, partners, accountants, sign companies, printing companies and yes even mentors, buyers, sellers and tenants. I have heard in business that you are only as good as your weakest link. I want to suggest that you choose your team carefully. You may even want to go as far as interviewing your team players.

After all, this is a business and the dollar amounts can be substantial so you want to make sure that your team members have the same morals, ethics, business philosophy and personality as you. This is not to say that you will not make some mistakes and-or changes along the way, but when you start out with a list of the qualities that you are looking for in your team, it makes the decision process much easier. Yes I did say qualities and not experience or education. It's easy to find someone who knows the business or has experience but it can be a challenge to find the right qualities and personality in the person you are looking for.

I would start my search by seeking a referral from someone who is already in the business and is successful. Make sure you know the person you are seeking the referral from well enough to know that you will be well received when you contact whomever they referred. Notice that I indicated that you seek a referral from someone who is not only in the business but is "successful".

It doesn't do any good to contact a banker for a line of credit when you have been referred by someone the banker just turned down, nor does it look good to contact a Realtor referred from someone who just backed out of the last deal they had under contract. I think it is only appropriate to note here that if you are making a referral to someone who is building their team, make sure you know a little about this person also. It doesn't help you by referring someone to your banker who just got out of bankruptcy and has a history of shady deals.

Once you establish your team players, you should be loyal to them. Let me give you an example. Who are you going to call when you find a listing online or another Realtor's listing while driving the neighborhood? Most people would say I call the listing agent. I used to do the same thing. Let me suggest you call your team player and let them go to work for you.

If you call the listing agent and buy the house, it may be the only sale you give that Realtor this year. By calling your Realtor, that closed 30 transactions for you last year, they will go to bat for you to get you the price and terms that they already know you are looking for. Not to mention the fact that you will be the one they call when they find a deal that has to be sold fast. Trust me on this, as I know from experience.