

Special Report

7 Reasons Real Estate Agents Should Work With Investors

A compelling story on how working with investors can increase your profit 10 fold and how much not doing so cost you!

Working with investors is probably the greatest single improvement I made in my real estate business. It not only made earning commissions easier for me, it opened up doors for creating massive wealth and income that produced profits far exceeding what I was previously making. There are seven basic benefits that I gained by working with investors. They are:

1. Build a funnel of clients who not only call you they wait in line to work with you.
 - a. Typically, real estate investors are at a loss as to how they should work with investors and even if they should at all. The rules of engagement for real estate investing are completely different than the rules of engagement for working with owner occupants. Since most agents do not understand the rules of engagement for working with investors they by default use the only rules of engagement they know which are those for working with owner occupants. As a result, the relationship between investors and agents is strained because it is not fruitful. It doesn't have to be that way.
 - b. With the knowledge you gain from books like "Path To Profit – Investors Vs. Agents" you can now operate by the rules of engagement that are specifically developed for working with investors instead of what agents are taught by their brokers. Once investors learn that you know these rules of engagement the word will spread. Just like any other line of business, when you walk the talk, the word spreads. Your reputation precedes you and you will spend virtually nothing on marketing to attract new clients. They will find you. There are at least a dozen marketing techniques you can learn from the Path To Profit, the best of which work in any market anywhere and have virtually zero costs associated with them.
 - c. The bottom line here is that because almost no other agents know what you know about working with investors and they make the conscious choice to not work with investors anyway, you work in a virtual vacuum with little or no competition!
2. Build relationships one time that pay you multiple time
 - a. This is one of the greatest benefits of working with investors. With owner occupants you work very hard to just to get a client and then you earn only one commission. If you're lucky you may have the opportunity to earn another commission in ten years. With owner occupants when they sign the settlement sheet at the closing table they want to get the keys to the house, unload the truck and jump in the pool. You are now a distant memory. When you work with investors and they sign the settlement sheet at the closing table, the very next thing they want to do is have you set up a search to find their next investment property. Unlike working with owner occupants you don't need two or three hundred investors to make a living, you can do just fine with a 6 active investors. I

had an average of thirty at one time and a total of more than 170! The bottom line is that investors typically buy anywhere from one to several dozen properties a year. The average for my investors is about six. During the height of the recession, I was doing over 100 deals a year with no assistants and no admin help. And that was part time! That's because I understood and followed the investor rules of engagement.

3. Use rules of engagement that not only result in more profit for your investors, they result in more profit for you.

By following the correct rules of engagement for working with investors you control your own schedule and your investors work with you on your schedule and on your terms. You give them a choice of days and times that you decide. As a result you are in control and they still have a choice. You also work in such a way that unlike working with owner occupants, the investors do much of the leg work. You are more of a guide. You don't get involved until they have already proven that a particular property is worth the use of everyone's time, including yours. This process is the difference between the shotgun approach to investing and the high percentage shot. It works like a charm. Your clients are more successful and so are you!

4. Develop an owner occupant business without the time, effort, energy and expense of traditional agents.

Every agent wants the million dollar listings. Most of them work their entire lives and maybe get one if they're lucky. They spend an extraordinary amount of time, energy and money competing with every other agent in town for the few good listings that are out there. You, on the other hand, wisely choose to work with investors with little or no competition. Furthermore, investors also need to buy and sell their own homes and so do some of their tenants. They, of course, call you when that time comes. Therefore, you didn't have to spend time, energy or money getting these owner occupant deals. Rather, they came to you. You also don't have to compete with other agents for this business. Statistically, the same percentage of investors live in million dollar homes as the population at large.

5. Quickly develop an additional six figure system that provides wealth and income in any economy anywhere. The world of possibilities is almost limitless here! It all starts with you using your license to serve your fellow investors. For example:
 - a. Use your license to work with Flippers. You earn a commission when they buy the property. You earn a commission when they sell the property. And you may even earn a commission if you find the buyer for their property. This essentially could give you three commissions from one client and one property! Let's say they bought the house for \$100,000. Then after they remodeled they sold it for \$200,000. Assuming 3% commission per side (listing side and selling side), you would earn \$3,000.00 ($\$100,000.00 \times 3\%$) on the first transaction as the selling agent, \$6,000.00 on the second

transaction as the listing agent (\$200,000.00 X 3%) and possibly \$6,000.00 again on the second transaction if you are also the selling agent who brought the buyer. That's a possible \$15,000.00 in your pocket from one investor and one property. This is a very average deal. Can you use an extra \$15,000.00 right now?

- b. Use your license to work with rental investors. Rental investors, like me, typically grow from buying small rentals to buying larger and larger buildings costing more and more money and therefore earning you larger and larger commissions! And there's more.
- c. When you work with rental investors, at some point they will require property management. And you're just the person to provide it! Assume they had ten units with an average rent of \$1,000.00 and you charged 10%. You could earn \$1,000.00 residual income per month for coordinating rent collection and maintenance calls – maybe 5-10 hours per month. You could also earn a leasing fee equal to one month's rent every time you fill a vacancy. Assume that is one per month (turnover rates are actually higher). Now you're up to \$2,000.00 per month. That's only 10 units. Imagine if you had 100 units. Get the picture?
- d. Working with wholesalers can also produce substantial income. There are some basic rules to follow if you are an agent who wholesales or who serves investors who do. I dive into that in little more detail in my book "Path to Profit, Investors Vs. Agents". For now suffice it to say that you can profit handsomely by doing this the right way where everybody wins.
- e. You get far more referrals from investors to other investors and owner/occupants than you ever will form owner occupants alone. Think about it. When an owner occupant signs the settlement sheet, they only want to get the key to their new house, unload the truck and jump in the pool. You are now in their past. Now imagine your investor after closing. Later that day that investor will be hanging around with his neighbors, co-workers and/or family members and proudly showcasing his latest exploit. They invariably will ask him how he is doing all of this and he will invariably say "Oh, I have this awesome Investor-Agent who knows how to help me get the best deals". Can you see now why I always got so many referrals from my investors – without me even asking?
- f. As a result of working with investors you will by default get their owner occupant business and that of their tenants who are looking to buy their own homes. If you don't want to be a traditional agent (and I didn't either), you can refer these deals to traditional agents and earn a 25% referral fee for doing so!
- g. Before long you will find yourself needing to build a team around yourself in order to keep growing and profiting. This will be expanded upon in the next two sections.

If all you did is what I just described in #5 above you would be able to live life in the lap of luxury. But it doesn't end there. That is only the beginning. This is where things really get interesting.

6. Quickly build and grow your own brokerage business to a 7 figure income stream.

Assuming you have made the wise decision to implement what I did and is described above you may now be ready to go from linear growth to exponential growth. It may now be time to create your own brokerage business. The details of this endeavor are well beyond the scope of this book. However, just imagine if you had 5, 10, or how about 50 agents doing what I described above and you as the owner of this new brokerage company got a piece of every pie that came through your agents respective doors. I grew my brokerage company from 8 agents at launch to 50 agents in less than three years. This all occurred during the great recession when all other brokerage companies were shrinking. My brokerage company, Win Realty Advisors, was the fastest growing brokerage company in Western Pennsylvania during this time. I focused on investors while all others who were focusing on owner occupants were going out of business. I actually grew a pretty profitable owner occupant business as a result.

7. Follow the clear path to creating a Property Management business.

What will soon follow is the next logical step in your growing empire. Start your own property management business. Your investors will want it. You can provide it. Start small and develop the skills and systems necessary to create and grow this rock solid profit producer. I started with my own units. When I had systems and people in place I added about 40 of my clients units. When I mastered the business of managing other people's properties at the level I started to take referrals. In less than three years I grew to almost 700 units. I spent almost no money on advertising. It was virtually all done by word of mouth. This is a very stable business because your income comes off of the top of your clients income. You can earn income from charging the vendors who you hire to serve your clients a fee. You get to keep late fees. You get to keep application fees. I haven't even described what happens when you start marketing. Suffice it to say that you can grow quite rapidly when you grow properly.

8. In conclusion, it's not an "OR" world, it's an "AND" world. Investors should get their real estate license and serve other investors, thereby, opening up a very relevant and easy to implement line of business that compliments and leverages their already existing investing activities. I was able to leverage my license as an income producing asset just like a rental property and run it like a business because I saw opportunity and I seized it. I walked the talk. I produced results because I am an investor and I leverage not just my investing activities but my knowledge and experience to serve other investors and I have been amply rewarded for this and so can you.

About the Author:

Gary Wilson is widely considered the leading authority on teaching Real Estate Investors and Agents alike how to leverage what they're already doing and create massive new wealth and income.

Gary has been investing in Real Estate for nearly 30 years building a rental portfolio worth millions of dollars, flipping other properties and even wholesaling. He has been a licensed Real Estate agent for more than a dozen years and Broker for more than half of that time, creating the fastest growing Real Estate brokerage company in Pennsylvania during the Great Recession, while others were shrinking by 50%. Gary also went onto create an Appraisal business, a Title Closing business and a Property

Management business that grew from 40 units to nearly 500 in less than 3 years with virtually no marketing costs.

Gary has grown into a sought after speaker, writer, teacher and coach to investors and agents across the world. Fortunes have been made by those who follow Gary and implement his systems of creating massive wealth and income by using their Real License as an income producing asset to serve the Real Estate Investment community

Gary spends his personal time participating in high adventure activities, visiting friends and family far and wide and promoting his greatest accomplishment - The Healing House Foundation. **A portion of all proceeds from Gary's business ventures goes towards the support of the Healing House Foundation – a Non-Profit venture that serves families who are healing and rebuilding their loving relationships after suffering from the wounds caused by the illness of addiction of a loved one.**