



# YOU'RE JUST ONE DEAL AWAY

## *Working With An Agent*

Hosts: Zack Childress

So, the big question is this, how do aspiring real estate investors like us escape from the rat race and build real wealth and freedom without access to millions of dollars in investment capital and start to live the life that we know we deserve? This is the question and this podcast will give you the answer. My name is Zack Childress and welcome to Real Estate Investing Talk Show.

So let's dig on in. So when we're talking about agents, one of the things we have to understand is there's different types of agents out there, right? You have agents who just specialize in working with homeowners and retail sales and then you have agents who understand the value of working with an investor because we're a multi business for them. We're not a, I want a house, I buy it and I live in it forever. We're a, I like this house, I want to buy it, I'm going to sell it. And then I want another house and then I want another house and then I want another house. So when the first topic we're going to talk about is where to find them, and so to give you some key points on that is really this, you need to narrow down to looking for agents that specialize in investors.

Where do you find those at? At your local real estate investors association. That's number one. Number two through referrals. Another great way is if you're building relationships with mortgage brokers in the area, what agents do they know that are working with investors? Same thing with closing attorneys or title companies. What agents do they know that are representing investors who are coming to your closing table? Oh, John over here at Keller Williams. Oh, Tim over here at Revolved Reality. Oh, Steve at Legends like these are investor friendly agents. They can refer these to you, so now you can go set up a meeting, you can talk to them. You can also use Realtor.com, you can also use Zillow. You can go under the realtor search, the agent search, and you can put in there specific topics. Like for instance, Realtor.com will say, look, I want to find agents that specialize in finding deals in these areas that specialize in like foreclosures or investments, and so they'll bring agents up that have written their description that say, look, I work with investors I specialize in these things so that you can start to go out and find relationships and not trying to cultivate an agent to be investor friendly, but go ahead and find agents who are investor friendly by just using some of those simple tips that I just gave you to really hone in your search to find investor friendly agents and that's really important.

So anyways, that is number one. Working with an agent is number one thing you got to figure out is how do you find the, right? And that's why I shared those tips with you. Look for them in at investor associations, investor mixers, network, find them in those locations. Number two get referrals for them, title companies, other mortgage brokers, even property management,

even know agents that you could, they could refer to you. The last one is actually looking for them through some form of like Realtor.com or Zillow.com where you can actually go under, find an agent or find a realtor and you can look for the descriptions and you can say, look, I only want agents that specialize in these things or does this and so that's a great way to establish a relationship with an existing agent that understands investors because let's just be honest, if an agent doesn't understand investors and all the creative things that we do or that we're going to be doing, the challenge really is, is that they don't hear us. They only see it from their point of view. They haven't even learned anything on how creative investing works. So when you start to share with them all the things that you want to do, they might look at you like, what in the world are you talking about? And so we just got to be careful about that and we don't want to get discouraged because here's why. If an agent doesn't understand you, then they're going to tell you no, so.

Topic number two, how do we actually talk to an agent like this really should be topic number one, how do we talk to an agent? It really comes down to this. You've got to remember, an agent needs to understand what you're saying. You can't just try to bull nose and agent or blindside and agent or try to manipulate an agent because you need to speak to an agent and an agent's term like you need to make sure that agent understands what you're doing and where you're going and what you're trying to achieve. A lot of times we have a hard time, especially as new investors trying to talk to an agent and we're saying, look, here's what I want to do and they might think, oh well no, this is what you want to do. So you've always got to come to an agent from an understanding that they don't work for free even though they work for commission and it's kind of like free, but they work to earn a check. Not they don't clock in, clock out to earn a check. And so it has to be something that's going to be mutually beneficial to them. And you in that conversation, as in, do you find properties in the local area? Yes. Do you find houses that need work? Yes. Do you find properties that need cash flow? Yes. Great. That's what I'm looking for and if you can help me find those, then you can represent me on those buys.

And that's what they want to hear. They don't want to just give you stuff and not represent you, they want to represent you, right. And so they want to make the commission on that. That's how they get paid for finding you things. And so one of the things that when I talked to my agents is they're always have what's called a primary agent and when I have a primary agent that's an agent that I work with, they run all my searches on the MLS, they run my automated searches. But I will work with any agent out there. And when I'm talking with them, I'm very clear to them that, hey, look, I already have an agent that has my MLS searches set up, but I would love to work with you as an agent, if you find any listings that you're getting that you need to sell quickly before you put it on the MLS, I would be happy to present you an offer on that deal and I can close. But let me be very clear.

Make sure you're prepared to work with that agent before you start getting that agent out there to look for deals for you, okay? And here's why, you don't want to start talking to that agent about finding you deals and then they go out there and they start finding all these deals and they get you a good deal, but you're not even ready to execute the deal. You're not ready to get the funding together. You don't even know if it's in the right area. You don't know how to run your numbers or you're not confident in it. You haven't put your team together on how you're going to execute it and make money on it. These are the things that a lot of new investors make huge mistakes with. They just start running out looking for deals and they haven't even set their foundation yet, much less put themselves in a position to actually close on a property and that is where the big issue occurs is when they run too fast into the market without setting the foundation because they're eager, they want to get started, they want to do it now. They want to do it now. They want to do it now, but that conversation with that agent needs to be real clear. It needs to be, hey look, I'd love to work with you I need to gather some data in the market first, figure out where I'm going, I'm setting up some bank relationships. Once I have all that set up, I'd love to come back to you and start looking at properties.

Let me tell you something. That agent will appreciate you that much more because you are communicating to them at a level of saying, look, I respect and I appreciate your time and I don't want to get ahead of myself with you. You go out and do all this work to find me a deal and I'm not even prepared to do anything with it, so when you're talking with an agent, just be prepared before you get them going to do a bunch of work and talking about work leads us into the last and third topic for today, which is working with them and actually building that relationship and cultivating that relationship.

This goes right back to a little bit of number two, which is when you're working with your agent, there are some things you need to understand. Number one is be prepared, write that down. Number one, be prepared to work with your agent. Don't just work with an agent just because that's what somebody told you to do. Be prepared because if they're going to go out and find deals, you better be prepared to close that deal, okay? That's number one, be prepared. Number two, don't overwork them because you don't have enough education. What does that mean, right? It goes to like trying to comp out a property, so a lot of new investors, they don't really understand how to find ARV. They don't understand how to find comps, so what they do is they just lean on the agent. They lean on the agent, Hey, can you send me comps? Can you send me comps? Can you send me comps? And the problem with that is, is that the more and more you keep sending that to them to get you comps, to find out the deals not a good deal means the more they're working with less advantages for them, they're just doing work for free and they will slowly start to not answer your phone call or your text or your emails. That's what they will do, what we call ghosting. You will get ghosted my friend, so just be clear on that, okay? So you need to really remember, we use our agents for the comps after we've already vetted the deal after we've already done everything we know to do to figure out what we think it will sell for, and we take that number and run our numbers and if it looks like a deal there,

then what we do is we make sure that our ARV is in line with what our agent thinks the ARV will be. ARV, meaning after repaired value, okay.

So then we'll send it over and say, can I get some comps on this? And if my ARV say 180 and the cops come back at 175. Okay, great. Now I know I'm very close on this deal, but if I'm running a deal and I find my ARV, I've gone and got educated on how to run numbers and how to find ARV and how to find comparable sold properties using the web and I run that deal and it doesn't look like a deal by a long shot I'm not going to send that to the agents and say give me some comps. I'm wasting their time. I use my agent and their resources and their time to help me validate a deal that I think's a deal. Now, one of the questions earlier is, what's the benefit of being a licensed agent?

Well, that is one of the benefits you can run your own comps if you know how to run comps, that's another big thing. I mean that's something we run into a lot of times too with new agents is they don't truly understand like what the good comps are that we're looking for. Like I saw one the other day, a guy sent over a set of comps on a property and it was all for. Actually I was doing this with a student who is actually on here watching this right now in California and it was all comps on properties that had not been fixed up and the intent that the property that she was looking at was to buy it, fix it up and resell it. So the comps showed one value of much lower than what the value should have been for that property. Because when I started digging, I started finding other properties in the same neighborhood that were selling for a lot more, and when I looked at those properties, those properties had all been fixed up.

When I looked at the properties the agent had used in the comps were all properties that were still out dated, so that was more of an as is comparable sale, not a ARV, so we just got to make sure we're clear with our agent and what they're sending us so that we're making sure we're comping out accurately. So anyways, working with the agent, remember, be prepared, speak to them so that they understand what your intent is always, that you're an investor in, your intent is to do X, Y, and Z, and also don't just work them because they have access to the MLS, okay? Don't just work them like, look your agent and you, your a team, you're a team, you're a team working together to help build your business. They're part of your team and you just got to make sure you're on the same page. You're communicating together and you're making it work together, okay?

You've been listening to the Real Estate Investing Talk Show. I'm Zack Childress and I'm on a mission to create 10,000 real estate bosses over the next year. Will you be one of them? Head over to my website, [ReiSuccessAcademy.com/webclass](http://ReiSuccessAcademy.com/webclass), and register for my free web class, where you'll discover how to escape from the nine to five grind and become your own boss in real estate. See you there.