

7 Secrets of Successful Real Estate Investing

Good market. Bad market. In-between market. There is always money to be made in real estate, regardless of the market.

All the proof you need is the track record of successful real estate investors – and there are many – who seem to be able to consistently make money in any kind of market.

From this special report, you'll learn the secrets of successful real estate investors who have prospered in both good and bad markets. Work their techniques into your own investment behavior, and you could find yourself enjoying the same market-proof success.

THE SEVEN SECRETS:

1. Successful real estate investors expect the unexpected.

As history shows, the real estate industry moves in cycles. But it can turn on a dime, and your business must be able to do the same. Successful investors know how to change and are not afraid to do so.

The days of rapidly appreciating home prices, easy money, and fast sales have withered away in many markets. Today's market is a buyer's market. With the exception of a few pockets across the United States where homes continue to appreciate, it's a great time to get a deal on a house as an investor. But it's more important than ever to do your research and buy at the right price.

What a house on the same street sold for a year ago is not an indication of the going price today. Successful investors know that relevance is key. And, like the price of gasoline is guaranteed to change, so too is the fair price for a house in a fluctuating market.

While homeowners always want a deal equal to or better than the one a former neighbor got, investors know that the reality of today's market is what controls price. If the MLS reveals that a house has been on the market too long, investors can adjust their offering price accordingly. Investors who have been successful in the past, and who remain successful today, are able to quickly adjust to changes in the market and can transform their investing approach with ease.

2. Successful real estate investors build a winning team.

The best investors don't do it alone. Successful investors know the value of building a team, and they know how to build a good one. It's no surprise, since higher volume equals a need for more resources.

When you consider that as many as 50 people operate behind the scenes to move the average house to closing, you soon realize that one investor can't be all places at once, or wear all the hats for one deal, let alone many. In a buyer's market, time is critical. Successful investors have teams in place to help them make prudent decisions and act on them quickly.

The more complex the business, the more complex the team. Successful investors can point to office managers, experienced buyers, experienced sellers, contractors, and others who help the company meet its ongoing goals. What's more, each person operates only in his or her area of expertise, all contributing to the greater goal of the business. The team works effectively and efficiently, understanding where each role fits into the big picture.



3. Successful real estate investors emphasize selling.

It doesn't mean a thing if it doesn't go *ka-ching!* Successful investors know how to achieve that sound even when it's not easy to unload properties. Regardless of your investing focus, you have to have a knack for selling in today's economy. Right now, that means putting just as much emphasis on selling as you do on buying.

Hiring great buyers was and still is a major focus for successful real estate investors who want to identify and secure the right properties at the right price. In the past, selling was an afterthought in an economy bloated with demand.

Today, however, selling is the primary focus in most markets. In fact, successful investors have staff solely dedicated to the selling process. What used to be handled with ease by the buyer now takes a salesperson with skill. The two specialties often require two very different personality types. As successful investors grow more detail oriented in a less forgiving market, the sales function grows more vital to the success of the business.

4. Successful real estate investors don't stop buying.

Successful investors never stop buying real estate. The word "skittish" isn't part of their vocabulary. They're successful because they're always investing. Others may play it conservative in a changing economy, but successful investors are changing to the tune of the day, constantly moving forward.

When an overpriced market corrects itself, many investors will decide not to buy another house until they sell their entire inventory. These are the investors who sell themselves right out of business, because they're refusing to buy properties when they're at their lowest prices. And when they do sell a property, they sell low out of fear, realizing little to no profit.

Meanwhile, fruit is still ripe for the picking for the investor who corrects his business and becomes more precise at each and every transaction. The only way a successful investor can survive this kind of market is through *taking advantage* of the buyer's market – buying the right houses at low prices, and then reselling for a nice profit when the market turns around.

5. Successful real estate investors have an exit strategy.

Successful investors know exactly what they're going to do before they do it. They have an exit strategy, and they always know which road they're going to take among a variety of twists and turns before they even start the engine.

There are three ways to make money in real estate: 1) You can buy and sell a property at retail; 2) You can buy and wholesale a property to another entity (an investor); or, 3) You can buy a property and hold it for rental income to build long-term wealth. Each is a viable exit strategy, and successful investors know which strategy works best for which neighborhood. The more successful the investor, the more clearly defined is his or her strategy.

Deciding which route to take after you've already started down the road is only going to get you to your destination that much later. Or, you could just get lost completely and have to give up. But successful investors have their route planned out in advance.



6. Successful real estate investors keep an eye on key indicators.

Successful investors have a handle on the three elements of any good real estate business: leads, buys and sales. They know how to spot the trends that impact each of those elements. From length of listing to rising or shrinking appraisals, the key indicators tell them exactly how to shape their business. If rehabs are not getting the right return on investment, investors know about it. If houses are sitting too long on the market, investors know about it. When hot neighborhoods go cold, investors know about it.

They also know how to use these key indicators to their advantage. They can shift their focus to a rising rental market. They can turn renters into buyers. They can lower rehab investments for a less discerning market. They can step up their sales function to reach more people and find the right buyers.

Much of the process boils down to gathering information. Successful investors know to look at the number of days between MLS listings and "re-listings" to determine if houses in certain areas are languishing on the market. They access reliable tax records to check a rise or fall in a home's value from one year to the next. They view the county dockets as well as online foreclosure listings to zero-in on problem areas or neighborhoods where owners have an incentive to sell.

Successful investors also rub elbows with competitors. They attend local Real Estate Investors Association meetings to network and identify hot spots in the area for investing. And they keep tabs on peers who can provide vital information about how investment money is best spent.

They cultivate solid relationships with investors instead of relying on computer-generated investor lists to do all the work. If they wholesale properties, they segment investors, categorizing them either as previous buyers who buy in cash and have a line of credit, or "everybody else." Where less time equaled more money in a past transaction, successful investors know about it. In fact, the ultimate goal for every successful investor is to always be "in the know."

7. Successful real estate investors have passion and drive.

Successful investors love what they do; so much so, that they often make it look easier than it is. It's their zest for the job that has them selling their role to others who find it attractive from the outside looking in.

You've heard the old saying, "If it were easy, everybody would be doing it." The same idea holds true for real estate. It provides handsome rewards, but not for everyone. It's the investors who have a real drive and initiative to get up every single day and make the most of every opportunity who are more likely to succeed in this industry.

Their approach to business can be serious and focused. But these same investors truly like what they do. Not everyone has this type of hunger for the business, and not everyone can derive joy from its hard-won rewards. Yet those who possess both attributes also have better odds at long-term success in an industry rife with eternal evolution.



If you're one of the many real estate investors wondering why others are successful in the very same business, in the very same city, in the very same neighborhoods where you have been unsuccessful, chances are they've already learned these seven secrets to propelling their business to greatness. And with these secrets now revealed, you have the tools to do the same.

How you use the practical tips from those who've "been there, done that" could lead you to sharing your own success story some day. Or, you can choose to continue watching from the sidelines as the ever changing real estate machine continues to roll forward.

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