



Assemble your Real Estate Investment Team

You have probably heard that real estate investing is a team sport. In order to successfully complete any type of real estate investment you will need many different skill sets that you personally may not possess. Your job as an investor is to gather highly skilled professionals and to be able to make profitable decisions based on the feedback you get from them, as well as efficiently manage your labor force in order to get the job done, and done right.

Let's talk about who you should have on your team, and let me organize them in a logical manner:

Real Estate Agent

The one that is near and dear to my heart is the real estate agent :) Do you need one? I wrote a separate article on this topic called "Investors, Should you Hire a Real Estate Agent or Not" I suggest you read it. But let me put it in a nutshell; an investor without an agent is like a drummer with one arm... it can be done, and done really well (Def Leppard), but you would be much better off with both arms.

Mortgage Lender

The type of financing you are able to get can make or break a deal. Having a mortgage expert who knows your personal situation and who keeps on top of all the changes in the credit industry is invaluable!

Appraiser

We will always have a love/hate relationship with these guys. Whether you like it or not they are always going to be involved in some fashion. Having a good appraiser on your team to consult with comes in handy more often than not.

Inspector

I joke with my inspector that he is the most anal-retentive individual I have ever met (I mean it as a compliment). When you read his report you feel like the house is going to fall apart any minute. When buying, I use inspection reports to get back to the negotiating table. I have literally saved thousands of dollars in lowered purchase prices using a detailed inspection report. Oh, and then there is the added benefit of knowing what is going on with the house!

General Contractor

A skilled, trustworthy GC is a key player on your team. The GC will advise you on needed/wanted repairs and coordinate the subcontractors/labor to get the job done.

Subcontractors

The most important subcontractors in my opinion are; The Electrician, HVAC Contractor, Plumber, and Roofer. Make sure these guys are licensed (make sure your GC is licensed also).

All Other Subcontractors

Paint & Painters, Pool Service & Repair, Landscaper Design & Maintenance, Cabinets & Countertops, Carpet, Tile Installation & Repair, Masonry, Drywall, Fences & Gates, Foundation Repair, Garage Doors, Grills & Barbeques, Lighting, Sprinkler Works, Stucco & Stucco Repair, Bathtubs & Countertops Re-surface, Asphalt, Cheap Labor (your kids could do... they'll love you for it :) and Handyman (a good handyman will be able to do many of these jobs).

Subcontractors are for the most part supplied by your general contractor but you need to have your own list – for a couple of reasons; 1) Your guys might be better and more affordable, 2) Your GC might have a fall out with one of his, 3) You are not going to hire a general contractor for everything.

You should have at least one or two back-ups for every skill-set you use frequently!

Legal

Real Estate Attorney, Commercial Real Estate Attorney, Eviction Attorney, Estate & Business Planning, Document Preparation. Consider using a paralegal where possible, a good paralegal can do much of what attorneys do at a fraction of the price, i.e. help you set up LLC's.

Insurance

Most likely you will not be able to get all the different products you need from one insurance agent or company. At one point or another you might need; hazard insurance, homeowners insurance, home warranties, high risk property insurance, some type of liability insurance etc...

Miscellaneous

Advertising & Classifieds, Appliances (used & repairs), Blinds & Shutters, Interior Design/Staging, Cleaners (house, window & carpet), Locksmith, Pest Control, Termite Service, Courier Service, Credit/background checks, 1031 Exchanges Facilitators, Process Servers, Tree Service and Property Management.

Conclusion

There you have it folks. Depending on what area of real estate you focus on there will be some on this list you will never use and others that I have missed. One piece of advice I want to give you is this; Make sure you put your team together AHEAD of time, that way you will avoid unnecessary stress and will not have to settle for the first guy that shows up.

Good luck!

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As an investor himself, as well as a licensed Realtor®, Dimitri has over a decade of real estate experience. Dimitri's specialties include primary residences, second homes, investment properties, commercial properties and land. He has been recognized for being a Multi-million Dollar Producer, and is an accomplished Realtor® committed to superior results for his clients.

"Strive not to be a success but rather to be of value" Albert Einstein