

### Setting up your team

*No person will make a great business who wants to do it all himself or get all the credit. Andrew Carnegie*

When you first went into business for yourself, perhaps you did so because you were tired of depending on other people to get things done. The more successful you become, however, the more you'll realize that you just can't do it all by yourself. It's a great problem to have, because it doesn't come up unless you're getting somewhere.

That nice problem becomes a nightmare, though, if you don't have your team lined up in advance. In most transactions, somebody is in a hurry to close. Without lining up people in advance, you end up in a mad scramble for someone who can step in on short notice. Perhaps that someone doesn't work out so well. In a worst-case scenario, you could even lose the deal.

You're much better off having your team in place *before* you ever need it. Then, once a transaction is underway, it's just a matter of placing a phone call.

What kinds of team members will you need? Most real-estate investors will need, at one point or another, the following people:

1. An attorney. It's true that you can pick up real-estate forms at your local office megastore, but you still need someone to make sure everything is legal. Find a good attorney who specializes in real-estate closings.
2. Lenders. Typically, real-estate agents use mortgage companies that partner with their corporate offices. However, these are expensive and rule-bound. As an investor, you're better off finding private lenders who want to earn some money. Private lenders could be friends, relatives, employers, REIA group members, doctors, golf partners, church groups, or someone who has an old IRA.
3. An appraiser. Develop a relationship with two or three appraisers so that you'll have access to one of them on short notice.
4. Insurance companies. You'll need title insurance as well as property and liability insurance. Choose carriers before you make your first deal, so you'll be ready.
5. Repair, clean-up, and construction people. If you're handy and you have the time, you can do a lot of clean-up and remodeling work yourself. If not, though, have some good people on hand.
6. "Bird dogs" – people you'll pay to help you find properties. At first, you'll do this yourself. As you become successful, though, you can enlist the help of mail carriers, public utility workers, termite inspectors, or landscapers, to name just a few.

Knowing you need someone and finding that someone are two different things. Do your research. Check with friends and other professionals. Comparison shop. Don't just find a name; call the person or company and explain what you'll be doing and how they can help. Chances are they'll be glad for the new business.

As you're lining up your team, make sure you're clear with each person about your expectations and theirs. Just what do you expect from them? How much will you pay? When will they receive the money?

Don't expect something for nothing. Sure, you can find some kid to clean a house for five bucks an hour, if he's available. But for five bucks, he may not be all that excited about hearing from you. Make it ten bucks an hour instead, plus a six-pack of cold soft-drinks, and he may even change his plans to make sure he's available when you need him. This, of course, assumes you've found someone really good!

Once you line up your team, you're ready for business. Find that property, make a few calls to your team members, and be ready for a pleasant, smooth, transaction!

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*Don DeRosa* was recognized as one of the nation's top 21 real estate investors in the New York Times bestseller *The Millionaire Real Estate Investor*. Don, who is a full-time investor, trainer, and mentor, offers a complete system to build and run a thriving real estate business. For more information on *Building Wealth with Real Estate*, visit [www.donderosa.com](http://www.donderosa.com).

**Summary:** The more successful you become, the more help you're going to need. Line up your team members in advance: lawyers, appraisers, lenders, clean-up people, and insurers. Knowing in advance who they'll be can make transactions smoother and more fun.