

REI NETWORK RK

Episode: 062

The Best Way To Build Out A Real Estate Team

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Hey, guys, welcome to the REI Network podcast with me, Gavin Timms.

Hey, guys, welcome back to the REI Network podcast with me, Gavin Timms, another good episode. I hope we are going to be talking about the best ways to build a real estate team. I get a lot of questions regarding this, how to hire them, when to hire them, who to hire first, what order should I go in? So I'm going to tell you the way that I think you should do it, and I'm going to give you some scenarios along with it so you understand when and again how to hire these positions out just before we get going. Remember, like and subscribe if you haven't already. If you watch me on the R Network podcast, give me a like and drop me five stars. That would be awesome. And if you're on YouTube, make sure you subscribe to get the other content that's going to be coming following this episode. All right.

So let's jump straight back into we're going to be talking about the best ways to build a real estate team. Now, I believe that the team is everything, especially if you want to work on the business and not in your team. You're only as good as your team ever. Right. And that goes for any business, not just mine or real estate or any business, you could say from the CEO of a company. They have key team members in place, so the business runs. So let's talk about the key team players that you need in your business.

So I would start always with hiring a good virtual assistant. This would definitely be one of my hires. And the way that I would do this, if you're in the first phase of your business where you're currently doing everything in the business from, you're doing your marketing, you're talking to yourself as you're making your office, you are doing your follow your day in the notes. You're sending contracts you have in properties. Whatever you're doing, you're kind of doing everything. And this is why you want to hire a virtual assistant to start with and start offloading some of those tasks.

Now, what should they be? Anything that's a low end task like this, not a high dollar an hour activity. So anything from day in notes, doing some marketing, OK, sending out contracts, researching properties, looking at comp, things like that, that you can train your virtual assistant to do, that takes you a lot of the time. So that is some examples of what I want you to do right now. You can pull this if like right now everything you do in your current business and then look at what you could outsource. Now, the last things that you really want to be outsourcing for me, all the phone, you should not be outsourcing the phone yet because that's where all the money is made. Having quality conversations. Also, I wouldn't

probably outsource the office to start with either. I work into training that to happen. Maybe you could give the number for the property if you want to make it. If you're making a cash release option in to finance, give the VA the number, let them create the alpha, put it together and send it out. Get all this all these little things taking you all the time. We need to remove them off your plate so you can then get back, focusing on what makes the money, which is talking to sales, making offers and following up. And they can still be assisting in the areas.

Again, if you're talking with a seller and as you get off the phone, you could use a walkie talkie like Voxer or WhatsApp or something like that involves your VA saying, hey, I just spoke to Dave Smith, a one, two, three Main Street. Here's a situation. Set me a task, got a follow up in thirty days. And they can then go and put all the notes and create that task for you and then hold you accountable. They can also be sending you your test every single day. If you want to stay out of the CRM, if you have bogged you down, get them running the CRM and get them to say, hey, today you've got to do these five things in the CRM and they can actually send you over the tasks and they can be doing marketing, they can be pulling. Let's skip tracing for you. They can be organized in a list that can organize in leads, sending text messages if you're doing that in your business, all them things that a virtual assistant should be doing. And again, that would be my number one hire one hundred percent. That's where I would go first.

Now where to get them, I would go in the Philippines. That's just bias. That's where my people all the lot that worked for me. I think I have some MBAs now that we work with. And I think why the Philippines? I like that culture. They've got good verbal and written English. They've got great work ethic. They're used to working on the US time zones. So which is through the night to them. And also they are affordable. So it keeps your overhead down. That's why I would do it. In terms of then how do you hire? I'd be using something like Upwork. I always have to spell it out because my accent work, no one can quite get that. So that's why you could post an ad. There's also virtual stuff on it. There's so many places that you can get virtual assistance from, but it all starts with creating a good ad.

Now I've just talked about I just on on the admin side, you've also got the cold call inside as. Well, getting a good virtual assistant to be genuine for you, that's one of my that is my main focus still today is prescreening leads. They go with a simple script. You can get my script. REInetwork.com/script. But they use a simple script, they prescreen leads and they're trying to hit on the four pillars, which is the motivation situation, the timeline, the price and the condition of the property. If they can get that, anyone that says yes, maybe, possibly tell me more anything. But it brings into our CRM for us to work, evaluate in an acquisition role and then decide how we're going to position our offer accordingly, depending on if it's a creative deal or cash deal or we hold a buy and hold a fix and flip a wholesale, what are we doing with it? And then we evaluate the seller to solve the problem. OK, that's how we do it. So I'd be using that. And again, from the Philippines.

Now, if you've done that, depending on where you are in your business, if you're going virtual, your next kind of step, if you're doing virtual is maybe you need someone on the ground. If you haven't done the partnership route, when you're partnering with someone on the ground, maybe you need to get a runner. Now, a runner on the ground is basically somebody that can go out and do little tasks for you.

They do not need to have any real say experience. We just got a contract in Florida yesterday as I'm recording this, and we hired someone to go out to the property and get a contract signed so they can do contracts, they can go and get pictures, they can put a lockbox on. They can buy it to show them the house will let them in. And again, these could just be random people that maybe you trust. So you can start with friends and family. Ask on your Facebook group if you have friends and family in the area that they have friends or family that might do it. That would be a good start then. If that didn't if I couldn't work it that way, I'd go into a local Facebook group in that market and ask them. And then you've obviously got them Facebook marketplace. And by then you should be able to find somebody or lead to someone. You could also call real estate agents. So they will do it. Maybe the agent will do it for you, especially if it's a newer agent. And you should be probably paying them anywhere between twenty five fifty bucks a property and normally depends on if it's a one off. And we normally do like fifty bucks and if they got two or three to go at a time that maybe we'll pay them twenty five dollars per property. So that kind of changes. And you can also look Uber drivers, Lyft drivers and things like that as well.

OK then depending on if you've done that now you're going to get into more of your team and these positions can change depending on your business. So you've got literally the acquisition, the disposition and a local admin. And I think these orders will come in potentially different orders. If you have your VA, you might need an admin to start tracking and managing all your VAs and your processes for you so the admin could come up, the admin you might be paying depending on where you're located, maybe 15, 18, 20 bucks an hour for someone to be on the team admin. But before that, maybe you've got that under control using virtual assistant so you might not need them yet.

And then you've got obviously two very, very important roles, which are the acquisition and disposition. Now everyone wants to hire an acquisition and disposition. You only need to hire in that position when you need them. So you're never going to hire an acquisition manager if you don't have any leads, it doesn't make any sense. So let's say you're only generating a couple of day and that's fine for you. You're not going to go in on board an acquisition manager with no leads. They need to be doing an acquisition, mind you, for me, needs to be making a minimum of 50 miles a day and maybe up to 70 to 80 dollars a day, depending on how many conversations that have it. That is the goal with our acquisition and our team. So you can imagine you need a lot of follow up and you need to be bringing leads in every day for them to work. So they're going to have some new leads. And again, a lot of follow up we always do. On the ratio of more follow up the new leads, because 90 percent of all they've come from follow. Now, maybe you are a great salesperson. You're great in that role. So you would be higher in dispositions first. And if you're not if you're kind of an introvert, you don't like being on the phone, you just doing it, you have to maybe the acquisition role is good for you and you will fit in the dispo role. So you're going to go into one position or another. You're going to stay on this brand. What was your bias? Or you're going to go on to acquisition and work with the sellers and vice versa. So remember, we need enough leads coming in on the acquisition role.

Now, there's different ways to pay acquisition. Obviously, the first thing is to pay them commission only. We always would love to do that. I believe, though, it's very difficult to do that if you're not doing enough business now, if you're doing enough business. Doing maybe four or five plus deals a month,

bringing in an acquisition and paying them commission is probably doable because you can get them trained and in that position to start making money, hopefully within 30 to forty five days, at least 60 days. And you need to make sure that you position that front now that what we tend to do is we pay an hourly anywhere between 15 to 18 bucks an hour, plus five hundred dollars per contract closed. We do that for 60 to 90 days with then the transition of commission only. So what that does is you can actually then look at the acquisition and go over the numbers. If they're making eighteen dollars an hour and they're making a couple of grand a month and then they're doing four deals and they're getting 500 bucks, sometimes we do seven hundred fifty votes if it's a big deal. And then you can work out, hey, if you were to take a percentage of let's say 10 to 12 percent and acquisitional, you would have made more money. But obviously the guarantee is not there. So that's why we back in that way.

You can also do a drawback. So you could give them 18 bucks an hour, 20 bucks an hour, whatever, depend on your market. And then when they do a commission, you do a drawback. So your pay, let's say they do a twenty thousand dollar deal and they make two thousand dollars, but you've already paid them a thousand. You will take that draw back, pay yourself about that thousand dollars and then they would get the other thousand and then commission only from there. And you might do a draw back each month again for about 90 days. So you've got a couple of different options there that you could do for a member. You need to make sure you have enough lead. You're tracking them. KPIs and the training process. Do not just throw them in the deep end and go, hey, go and make calls and do deals. Remember when you first started, if you're in that position to start hiring acquisition, you need to put time in just like we do with our clients to get them in the position to do deals. You've got to do the same for your acquisition and acquisition for me is that is the hardest position to fill in the business by an absolute mile. The turnover rate is high. Very difficult contracts is where everything begins, in my opinion. Definitely the hardest position to fill. So let me have disposition. Disposition is actually moving the exit strategy of the property. Now, this could be dispo in finance. It could be disciplined lease option. It could be dispo in wholesale. Depending on what you're doing with disposition, you're never going to hire a disposition. Guess what? Until you have contracts. So you need to be bringing in least probably two or three every single month to warrant hiring a disposition manager. And their job role is to move the contract, get it through close and work with a title company and close the deal so everyone gets paid. And that also their job is to build relationships with the buyers so they get to know the buyers so they can they can dispose of and also a disposition can handle multiple markets, in my opinion.

Again, they've got to be a good relationship building person that can do the commuter tax that's organized, that's on top of things, got great communication skills and they will be negotiating that sales price with the buyers and they'll be able to handle that. And again, probably on the dispo, depending, again, if you have three or four acquisition, you can pay your disposition maybe five, six percent of the deal because they're working for more than dispo more deals and acquisition to bring it in, because there's more to love them. Again, going up to maybe 10 percent on the disposition side.

Now, where to hire a disposition and acquisition? I would probably say wise hire is one place you can pay a couple hundred bucks and they do a lot of prescreening for you. You can also do indeed.com. You can look at there's multiple things that you could do. What is they can't think of the come back to me in

a minute, but you can post on there and on them sites, pull ads, run them again, doing them pre screen and sending out the disk test. The D i. S c test. The disk test is a personality test. I highly recommend that you send that out for acquisition and disposition. You could actually do that. VAs as well making sure that you have a code cova and Akoko position. Don't want an admin and a Coca-Cola Coca-Cola salesperson in that role because that doesn't fit right. I am a salesperson. That's what I do. I love talking to people. I'm not the best organized. My compliance is down. I'm a high D and I on the disk has a big influence. And so you're going to see that through through them positions. What you day in high D and I on the disk test is always going to be high on the acquisition side because then that more go get a sales mentality, you know, to have the essence, the steadiness and the compliance. That's more of an admin roles. Everyone in your team should be taking that test highly recommended. I think it's one, two, three test dot com. You can actually do the test on that and minute and you get the you get the results. So I highly recommend you go in to check.

As well, then, once you've done that, you've then got asset managers that you could do if they're managing the capital for you, manage and fix and flip projects, overseeing inventory, working with the general contractors, working your realtors in. These also could be business partners that cover this for you as well. So you could be doing that again. We talked about the admin, the admin role. Sometimes we elevate admin into that role. That's what I did in my business. I had Lawrence on my team. She started off as an admin, just doing admin tasks and elevated. Now she runs the financial side of those my businesses, runs the books through quick books, make sure we're staying profitable helps along with running the KPIs. He's my lead VA and they do a great job for me. So elevating people in your team, I highly, highly recommend as well.

I remember we just talked a bit about the distance and how and how to do that. Also, you got to make sure you have great communication through your team from the hiring process. Just everything is about communication. If you want a great team, you have to be a great communicator because you've got to get people to feel comfortable coming to you and even feel vais. If there's a problem, if things that things should be working better, let them have a say, let them have an opinion. And by doing that, you're going to get the feedback you need. You're going to get that honesty for you to make judgment calls while you're now working on the business. And guess what? Once you've got all these people in position and you've hired away and you are only now doing five deals consistently or more a month, now you're working on the business, now you're in that visionary position to drive the business forward. Maybe now this is a time when you're adding more strategies, where you're doing more marketing, you're testing different marketing, because your time now is all that. Maybe you just want to travel and live the dream and let your team handle everything for you. But again, just make sure you communicate. And I travel a lot pretty hands off in my real estate business, but I am a very good communicator, so I'm all my lead people in my team. We talk multiple times a day, whether it be on Vox or text or phone or zoove, checking and making sure everything's running. Does I need anything? Do I need to step in or need to help with anything showing an interest in your business and also giving bonuses, given random time on more about random bonuses even for admin, and find out what makes your team tick.

And what I mean by that is, is what what excites them? What do they like to do in their spare time? Because believe it or not, not everyone wants money. Money helps. But sometimes it could be a gift. It could be a weekend away. It could be different things. Right. Or it could be money. My team I have now Gabe runs kind of my own, my website stuff and a lot of my content and I have and then a VA works for him for doing content for YouTube and different video things and you start to grow that out and you put real leaders in place that can handle that. So you're having one conversations with the leaders and then making sure that things are done. And that's when you grow into this business. I think, again, going through why you're on your real journey from a VA is the absolute most. I just do not recommend not having virtual assistants. I think the great you know, and I've got no problem building up to 15 to 20 VA is OK and having less paid people on the ground in America and do it that way because of the over at the cost of living.

Remember, these are small people and then build into an acquisition dispo again. You got the flip flop, you got the local assistant elevating them all into that key role of running your finances. Now, you can't just give your finances to anyone. You've got to be working with that person for a long time because you have to trust that position. It's really, really important. And helping, again, learn how to stay on track with the books from the Flip's and on the money side of the business, making sure we're profitable because I want to go one hundred mile an hour with five hundred different things. And then are my team pulling me back saying, hold on, how are we going to implement this? And that's how that's what you want for your team. So I always let them have a say. And I think if you do that, hopefully listening to this, you've now got an understanding of them, different things that you can do from the hiring process, how to do it, what to pay them and understand a little bit about where you can fit in the business for you personally.

Remember, this business has to fit around you first and everything needs to be done from every position you are doing. You're getting your time back, OK? And just think you may be a person that wants to handle everything, but you can only do so much. You're only going to do so many deals on your own before you start outsourcing. And I think I'm good on the phone. I think I'm good at getting contracts because that's what I did for years. Here's the thing. One, I'm to doing that and remarks I got do this is the roller coaster, right? So remember, you're putting people in. Them key positions, and if their focus is 100 percent on that position, they will outperform your 20 percent that you spend on that. So overall, they will outperform you. So let them positions go. Make sure you're tracking the KPIs, keeping them accountable, giving them a scorecard. Right. We also use hubstaff.com That's great for tracking visas and acquisition. If they're all virtual, they log on so you can track their time and what they're doing through that computer to make sure that they're not messing around. They're actually working. So I highly recommend we do scorecards.

Again, acquisition is all about 50 plus deals a day, depending on how many conversations, and that is what's going to get you. Again, we're not talking here. If you're talking about building a team, you're not talking about doing one day a month, you should be doing that on your own. I'm talking about doing five, six plus 10 deals a month. And that's the way that you're going to do it. And once you have the foundation built, you then just do more marketing, more people in that position to then elevate and do

as many deals as you wish. And there is a cut off for me. I don't want a massive business happening to a small piece of the world. And it was just ridiculous. It was crazy too much down about an hour and two or three markets. We're happy and we're just trying to dominate in the markets.

And then I do some partnering with students as well. We're actually now in our coaching program buying our students deals, which is pretty awesome, largely by the deals from you. So we can help on that dispo side. If it meets our criteria, we will actually come in and fund it or actually help you wholesale it or buy it from you. And then also we do different things in our coaching. So if you're interested in that, reach out and support our network, go to REInetwork.com/join if you're interested in that as well. Well, anyway, guys, I appreciate you remember.

Give me a line. Subscribe, drop some comments. If you've got some value from this, is there anything else you want me to cover? Just put it in the in the comments. I'll be happy to do so.

I appreciate you all. Thank you for watching. And listen and I will see you on the next one.

Thanks. Bye bye.