

Building a Buyers List



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You Will Be Able To:

- Understand the importance of building and maintaining a quality buyers list
- Market to your buyers list in an effective way to close more deals

Introduction

Nothing is more stressful than getting an offer accepted and then scrambling around trying to search for a buyer. One way to ensure that doesn't happen is to have a high quality and high quantity buyers list at your disposal. The bigger and better your buyers list is, the faster you will sell your properties; ultimately resulting in more profits.

Your goal should be to continually grow your list of quality buyers for your properties, even if you don't have an actual property to sell at a particular time. Whether you're selling high-end homes or fixer uppers - or if you're looking to sell properties to landlords, rehabbers, other investors or even first-time homebuyers, you want a list of potential buyers in your arsenal lined up, ready to go. The list should include your buyers' information such as first and last name, email address, phone number, buying criteria, type of funding, and any other important information.



Building a buyers list is crucial to your success as an investor. As soon as you put a property under contract, you should implement multiple marketing strategies to your buyers list in order to sell your properties quickly. Through this guide, you will not only learn how to build a list of good, quality buyers, but we go over ways you can build relationships with that list and effectively market your properties to them. Remember, your list of buyers is your gold mine - so it's important to treat it like one!

Finding Buyers Through Networking

As an investor, it is absolutely vital that you understand the power of networking. Who you know and how well you communicate is just as important as what you know. After all, this is a people business. We are buying from people, selling to people, and working with many other people in order to get deals done. There is no one you come in contact with that you shouldn't make aware of what you do and what services you have to offer. Networking opportunities are truly endless and only limited by your imagination and willingness to interact with people around you and understand their needs. This means that in order to build a valuable buyers list, you must build your business around the desires of the buyers. The legendary Walt Disney explained this concept best:



"You don't build it for yourself. You know what the people want, and you build it for them."

Networking With Industry Professionals

Meeting with other professionals in the industry will inevitably grow your buyers list. These individuals are those who can make everything run easier and move faster. Always keep in mind that whatever it is you need, someone else has the ability to assist you. You just have to locate that individual through networking. Contractors, investors, Realtors - they are ALL prospects and should be added to your list in one way or another. The fact of the matter is, even if a person is not of use to you at this moment, they may be able to help you down the road. Everyone has value; you just need to show them how you can add value, so that you can make use of theirs.



Helpful Tip

One of the biggest mistakes that a person can make is focusing on themselves and their own needs first. Although this may be the end goal of networking, it is not how you start. You must start to connect with the opposite mentality: make your networking all about them. The law of reciprocity will ring true and you will find that the more you do for others, the more they will want to do for you.

Benefits of Networking & Building Relationships

- You gain more control over the deals you are working on
- You create new opportunities where they may not have previously existed without understanding your buyers and building close relationships
- You generate new revenue streams or savings to your business by providing introductions and making referrals



How To Network & Make Connections

Networking is a very proactive form of marketing. It takes daily commitment to establish and keep relationships. You build your network one connection at a time. As investors, we have to be on our networking game at all times. At the end of the day, you can learn the mechanics of the business, but if you struggle creating trusting relationships, you're in trouble. Fortunately, even if you aren't a natural born networker, there is a way to learn. As with anything you learn in life, you can't progress until you practice. So once you've reviewed these few networking techniques in this guide, make sure to practice. Start networking with your friends and business partners, or even with the local barista at a coffee shop – just make sure you start somewhere.

Five Key Steps to Making Connections:

1. Make an authentic, meaningful connection.
2. Find out the most important thing to them. Key in on their personal life.
3. Help them obtain whatever it is they need: "Who can I introduce you to?"
4. Become a value creator.
5. Follow up on your initial connection. Don't let it fall apart.

Let Your Personality Shine

The reason why networking is so powerful is because those in the real estate profession will typically associate a business with a face and a personality. This is where your individual charisma can make all the difference. People like working with those whose company they enjoy. By establishing who you are and expressing your personality, you are also building trust. The primary way to accomplish this is to show genuine interest in people. Find out who they are and what they do. Soon, you will discover just how endless your networking opportunities can be.

Understand Emotional Intelligence

Emotional intelligence is the ability to interpret and read another person's emotions, and then use that emotional information to adapt within the situation. Studies have shown that those with a high emotional intelligence understanding are able to accomplish more with less effort - and therefore, they're overall more productive. Real estate professionals often use empathy and emotional appeal to inspire their buyer.

Attending Networking Events

Anyone you come into contact with should know that you are in the real estate industry, and should be aware of how you might be of service. You can extend your network sufficiently by quickly involving yourself in local events. When you attend these networking events, be on the lookout for individuals with experience in the business. Remember, real estate investing is a team sport, and ultimately a “people” business. There are many investors in the marketplace who are reluctant to network with others and share information due to a fear of competition. However, those who have gotten past that fear and begun to connect with others will tell you just how advantageous it is to be a team player in this business.

There are several opportunities that you should take advantage of. Here are six networking events you should immediately attend and continue to attend throughout your career as a real estate investor:

1. AUCTIONS: In most cases, you’ll find your most serious buyers at local auctions, with a check in your hand, ready to purchase properties. All you have to do is show up. Meet as many people as you can and gather as many business cards as you can. There are large auctions as well as smaller local auctions held locally. To find these auction companies in your area, either run a search online or go to a website like www.auctions.com.



2. LOCAL REIA MEETINGS: Real Estate Investor Association (REIA) meetings are a great place to network with other real estate professionals in your market. Every city should have a real estate club where you can go to network and learn new real estate strategies. If you’re just starting out as an investor, your goal should be to attend these meetings at least two times a week, networking and getting your name out there in the industry. You should find out who the active wholesale buyers and rehabbers are in your area and make it a goal to gather 25 business cards each time you attend a meeting. Build a rapport with them and find out as much information as possible about the types of deals they buy, and the areas and price range in which they prefer. Also, if your local meeting is a fairly large size, try to get to know the people who are leading the REIA. These individuals have spent a large amount of time building this REIA and definitely know the right people.



Helpful Tip

If possible, become a vendor or sponsor a meeting. Many times, this allows you access to the list of members who attend these meetings. By showing your support, they’ll be open and willing to assist you down the road.

3. LANDLORD ASSOCIATIONS: Since landlords are one of our buyer groups actively looking for property, we want to make sure we are communicating with them as much as possible. To do so, look up the local landlord associations by using websites such as: www.meetup.com.

4. CITY COUNCIL & CHAMBER OF COMMERCE EVENTS: You can take advantage of any events held by either the City Council or Chamber of Commerce. These events present great opportunities to meet big players in your city and potential buyers.

5. NETWORKING LEAD GROUPS: Depending on your area, there are some serious and committed groups that meet weekly to network. You can meet buyers, potential private money lenders, and also other successful business entrepreneurs looking to support others.

6. HOME/TRADE SHOWS: Home shows and trade shows are places where you know you will find a ton of juicy real estate business. Go to these events with your buyers list in mind. If you do get a booth at a trade show, speak with those around you who also have booths and offer to switch lists. If you have 200 people and they have 200 people you can both double your list.



Hosting Events and Educating Your Market

You will need to seize every opportunity to build relationships, generate goodwill, and earn trust of your potential buyers. Hosting educational events is one of the best ways to network, educate and ultimately close deals. Events offer a unique opportunity for potential buyers to interact with you and get a first-hand sense of your knowledge and personality. However, you want to make sure that you are memorable enough to make an impact. Your goal is to offer your services to help others. When you give, you always get back twofold.

Providing additional services to those whom you do business, builds a pipeline of repeat customers – and working with repeat customers saves time, energy, and money. If your buyer can understand and share in the information you know, they will be more likely to make the right decisions, take action, and keep coming back to you for great opportunities. Sometimes, it can be as simple as referring your buyer to the right resource or providing an introduction for them – that’s all it takes for them to see the added value in doing further business with you.



Helpful Tip

Your ability to network in your local area opens up opportunities to create affiliate relationships with vendors where you can broker their services and earn a portion from their revenues. One great example is setting up a referral relationship with private or hard money lenders. Or, you could even work with attorneys and receive preferential pricing for legal services that you receive. The possibilities are endless!

Educational Events

Hosting homebuyer education classes, as well as seminars, webinars and expos can all be great ways to draw hundreds or even thousands of buyers at one time and capture all of their contact details. You can also help out your local REIAs by hosting an “on site rehab meeting” at one of your current rehab projects. Working in conjunction with these clubs is the quickest ways to network, educate, and close deals. The more informed your buyers are, the quicker they can act upon and react to your deals. If your buyer can understand and share in the information that you know, they will take action and make decisions on the opportunities that you present to them. Share your knowledge, your resources, and your experiences.

Capturing EVERYONE

Remember, finding buyers for your list takes patience. Eventually, you will get a handful that you can trust and who will become your regular “go to” buyers. However, you don’t want to ever turn down an individual who you could add to your buyers list. Whenever you meet anyone remotely interested in real estate of any kind, add him or her to your buyers list. That person may not be ready today, but in three years, after you’ve forgotten all about them, they could just call you up ready to go. So as you come across a variety of individuals, remember that you should never allow prejudice to get in the way of gaining a contact. Also, don’t forget about the endless referral possibilities. Although an individual may not have the means themselves to do business, they may be able to refer you to someone that is a good fit.



It is an absolute must that you collect all of your potential buyer’s names and emails to survive in this business. We have the luxury of sending out thousands of emails to thousands of buyers with an instant click. You never know when the right email will hit the right buyer at the right time.

Build a Buyers List From OTHER People’s Buyers Lists

If you’re new to the game, you can leverage others people’s marketing who have been in the business for quite a while. Think about where people are spending their money to market. This is called piggyback marketing. You’ll need to build relationships with all of these individuals and show them how they can make money by helping you. More resourceful investors have found that they can actually cross promote with other companies and tap into their lists immediately, often without shelling out an upfront investment. As mentioned earlier, you can work with other real estate investors, Realtors, hard money lenders, and mortgage brokers. Outside of having bird dogs hunting for properties, you can also have them look for buyers. Give them your cards and hand them out to people you might meet who are looking to get into real estate investing.

Building Your List Through Marketing Campaigns

There are three parts to marketing in creative real estate:

1. *You have to know how to market to find motivated sellers.*
2. *You also need to know how to market yourself to find the money to fund your deals.*
3. *Finally, you need to know how to market to find buyers for those properties if you ever intend to sell anything.*

Your buyers list is the most valuable quantifiable asset you will have in your business. Even long after you've established your foundation of buyers, you'll have to maintain those relationships and constantly market to add "new blood" to your list. There are many hot and cold buyers out there, some just window-shopping, others that are retiring from the business. Think of each buyer as a New York City taxicab. One second, they're looking for new passengers, the next they shut their light off. Some cabs are on duty and some are off duty. That's why the streets of the city are flooded yellow with hundreds of drivers. Your buyers list should operate the same way. You should constantly welcome new drivers into the rotation so that when that moment comes and you're ready, you raise your hand, and a shiny yellow car pulls up ready to do business.

Marketing Strategies To Fill Your Funnel

We as real estate investors are in the marketing business, both with our real estate projects and the particular services that we offer as an extension of that. The various ways we market to buyers are very similar to the methods we use when marketing for sellers – however, the message changes. We have found that many real estate investors make the mistake of waiting too long to begin their marketing campaigns. The truth is, you should start marketing to buyers and building a strong list the second you know that you are becoming a real estate investor.

There are several different marketing platforms that you can use to find buyers, most of which you can start doing right away. We'll go over a few important ones.

Email Blasts

Always use a professional email broadcast service to send out your email blasts to maintain your legal compliance, get maximum deliverability of your mail, and stay off blacklists. Make sure you include several links to your websites and squeeze pages.



Send Email blasts to:

- Other Investors (joint venture email blasts)
- Realtor Lists
- Mortgage Broker Lists
- Title Agents Lists



Reverse Bandit Signs

Initiating a bandit sign campaign is a critical component to any successful real estate marketing system. The exposure provided by a bandit sign campaign is highly targeted and cost effective. When marketing my houses for sale, I place them in many of the same areas where I advertise to find motivated sellers. Using the same black on yellow traditional bandit signs, you can add a few twists to make this work for attracting buyers. Make the title “Investor Buyers” to target buyers, NOT sellers. Include only your website address that potential buyers can visit so they can be added to your buyers list. Here is an example:



Don't forget to also call all of the “We Buy Houses” signs you see on telephone poles in your town. We know these are investors looking for property. As mentioned before, remember to check the laws in your area, as some areas have restrictions on where signs can and cannot be placed.

Direct Mail

When it comes to direct mail marketing, consistency is key. Once you have effectively implemented your campaigns, it's important that you stay consistent and start to track the effectiveness of each campaign. Also, don't forget that your buyers are wondering, “*What's in it for me?*” Step into the shoes of the buyer and think of reasons why they would choose to do business with you and craft the benefits around those reasons.

Websites

As an investor, it's extremely important to have a company website or a blog. These websites are there to showcase your company and your properties, but also capture names and emails. We recommend having a separate website for your buyers and a separate website for your sellers. By directly speaking to your prospect, you can eliminate distractions. There are many resources available where you can get an affordable website solution. Your website will need to have:

- Contact form so buyers can leave their name, phone and email
- Listings and properties for sale
- Pictures and video tours of the houses

Craigslist

One of the most efficient and quickest ways to build a buyers list is to utilize online classified websites. Websites like Craigslist and Backpage are just two examples of what is out there. You can contact those that are buying or selling, or also even find a few property managers to call. Property managers are always looking for new properties and will be more than willing to refer or pass your wholesale deals on to clients in hopes of gaining future business. You can also find hard moneylenders, mortgage brokers, appraisers, title companies, and a host of other real estate professional you can build relationships with and eventually grow your buyers list.

Social Media

Social networking sites are becoming more and more valuable to real estate investors. This is a great way to use the power of the Internet to grow your business and market your properties for sale. When looking for a simple and effective marketing technique, look no further than social media. Facebook, Twitter, LinkedIn, Pinterest, Instagram...if you aren't familiar with these social media powerhouses, then you are truly missing out on some major marketing opportunities. By using these platforms, you can network and connect with tons of big guns in the industry. You can advertise your properties and share that advertisement in minutes all over the web. While each network is powerful on its own, today most people connect through a multitude of social media, allowing you to use hyperlinks and #hashtags to navigate through.



Squeeze Page

Squeeze pages are single-action websites. This type of website has one job and one job only: to generate leads. When a person visits a squeeze page, they are required to put in simple items such as first name, last name, email, and zip code. Once the information is submitted, it goes in your list and they receive an email. People tend to fill out these forms when they get something out of it. Offer something such as a copy of a guide or EBook such as "How to Find Cheap Properties," and you'll see more responses.

Newspaper Advertising/Local Publications

Don't forget to check local newspapers and even the Penny Saver newspapers for advertisements that can lead you to buyers. Here is an example of what to put in a newspaper ad:

Fixer Upper Homes
Available At Wholesale Prices!
Call XXX-XXX-XXXX

You can also check out the local Realtor Magazine advertising in books like Homes and Land Magazine.

Evaluating and Pre-Screening Your Buyers



While you are building your buyers list, you must become efficient at pre-screening and evaluating your prospects. In this real estate game, time is your most valuable asset and your toughest opponent. You have to maximize the way your time is spent by eliminating the guesswork and doing away with inconsistencies in the way you qualify whom you want to do business with. Many beginning investors typically meet with every prospective buyer and spend much of their time talking about would-be deals to would-be buyers. Although this is an important step in the process, you will need to make this step more time efficient and create a systemized process to pre-screen your buyers.

The first time you are pre-screening a prospective buyer, you want to gather as much information as possible. This assures that you don't waste your valuable time on buyers who are not absolutely serious or who don't have sufficient means to close on a transaction. Another way to save time is to do this initial pre-screening over the phone. Start by using a scripted set of questions and a short, probing, goal-oriented phone conversation to pre-screen the prospect's knowledge and experience level, and to ascertain their ability to act on an opportunity. Learning all these details about your prospects allows you to understand their fears and answer any questions that may stand in their way of making the decision to do business with you. With a script, you can ensure that you won't forget key questions, and you also involve your entire team. During the phone call, you also will want to learn personal information about the buyer to help you establish rapport and develop a decent relationship.

Pre-Qualifying Buyers

When you are marketing for wholesale buyers, you should look for quantity first, quality second in your lead generation. This means that you shouldn't go in-depth trying to pre-qualify a buyer as soon as you meet them. For the majority of buyers, their ability to purchase a property varies at all times. They may have recently bought a property (or have multiple properties they have recently received financing for) and therefore, they may have leveraged all the funds they have access to at the present time. However, two months later, they may have the necessary cash at their disposal to finance their next property.

On the other hand, you absolutely want to get your buyers pre-qualified BEFORE you begin showing them properties that they might not be able to afford. It is at this time that you should spend more time verifying the information given by the buyer in order to make certain that the person you are working with has the ability to close on a deal. The best resource to use when qualifying buyers is to put them in contact with one of your financing team members. Cash buyers can be broken down into three categories: cash, hard money, and private money. In all three cases, you absolutely must verify proof of funds. If the buyer is using “cash,” then ask to see a copy of their bank statement. If they are using “hard money,” then you need to make contact with their lender and confirm that they are, in fact, approved and ready to fund for the amount of our deal. If “private money” is being used, then you should talk to the lender to confirm that they have the money prepared to fund the borrower for that dollar amount within a specific timeframe. Being proactive in this step will assure that all of your time and effort spent on the deal will not be wasted due to refused or lost financing.

Training Your Wholesale Buyers

All successful people know how to make decisions promptly. The problem is that when most people are presented with an opportunity, they hesitate, and when you hesitate too long you often miss out on something incredible. We all know people who cannot make their own decisions. You know the person who wants to check with their wife, brother, uncle, or their cousin’s dog. These people typically do not take action and no money is ever made by simply talking about it. More importantly, people like this will take as much time and money away from you as you let them. This is why you need to create a sense of urgency with each and every deal you handle. Opportunities to make money do not last long and this point should be made clear to every one of your potential buyers. All human decisions are helped with momentum. Let your buyers know that you have had positive experiences in wholesaling and how you have made money doing the same thing they are about to do. When someone wants to buy, let them and do everything you can to ease their caution.

Organizing and Automating Your List

So you've collected a number of names and emails for your list, now what? You'll need to use a database system to store it. Then, you'll need to sort it. When you are ready to sell a property that you've invested in, you should have buyers sitting in your database ready to move quickly. This means that long before you close on a property, you should have a growing buyers list that is being marketed to. In order to find that perfect buyer for your specific deal, you'll have to be organized.

Categorizing Buyers

An unorganized list is more harm than good. When you spend all of your time and energy on the wrong buyers, you'll end up losing business. For instance, if you continuously send rehab deals to someone who isn't interested, they will eventually stop reading your emails.

You need to separate your buyers from your sellers, and your sellers from your investors. Separating and categorizing your buyers into four different areas allows you to target your emails depending on your focus.

Retail Buyers (*end user, property to be used as residence*)

- Typically will purchase 90 cents on the dollar or above
- One time purchaser
- Looking to buy and live in property
- Will use traditional financing

Lease Option Buyers (*renting & almost ready to buy*)

- Will have money available for down payment, but terrible credit
- Allows you to profit from:
 - Deposit originally provided
 - Cash flow determined by subtracting monthly mortgage amount from rent payments received
 - Selling price on the backend

Buyers Who Are Landlords (*buy & hold*)

- Mainly looking for cash flow
- Typically these are multi-family homes
- Using a 'buy and hold' strategy
- Willing to pay more on the dollar because they will make their money over time

Buyers Who Rehab (*fix & flip*)

- Looking to buy, renovate, and sell



Utilizing a Database

Once you've established a new contact lead and you've classified the lead, then you immediately need to pinpoint what follow-up funnel this contact should be placed into. For example, if a lead comes in from a direct mail piece that we sent to renters, we will prescreen the lead over the phone. If we determine that they are qualified to purchase a home, but are still slightly on the fence, we classify the lead as a "Retail Buyer" prospect and immediately put them into our "Stop Paying Rent" follow-up campaign, which includes a Free Report and a series of campaign emails. This level of contact and targeting requires the use of a database/contact management system. By leveraging technology, you can get the right message to the right target, while still giving a personal touch.

There are a variety of services available to systemize the way you keep in contact with your list. Choose a technology that allows you to communicate and suites your specific needs. You want to start with a Contact Relationship Management (CRM) system. Real estate CRM software manages client data, tracks interactions, and automates workflows. This will increase your efficiency and ultimately organize and enable you to close deals faster.

Here is how it works:

1. A buyer fills out an online form requesting to see a property listed on your website
2. The lead shows up in your dashboard, then automatically converts into a contact profile for that buyer
3. An alert goes out that a new lead has been opened
4. You then call the prospective buyer to learn more about their experience, means, needs and wants
5. You set up a task in the system for follow up to remind you if you haven't heard from the buyer's agent about arranging a showing

With this, you will need a sequential email responder set up as well. These are emails that you don't sit down and write every day. These are specially crafted emails that are sent out automatically based on your previously decided categories. This allows you to reach as many people as possible and maintain relationships with those important buyers. It's important to not only streamline the process of emailing but the look and feel of the actual email as well. Use templates and invest time in making every interaction look as professional and consistent as possible.

Email Auto Responders

Automation is never complete without auto responders. An auto responder sends previously written email messages at pre-timed intervals. For instant once they sign up, an instant email is sent saying something like:

"Thank you for joining our buyers list. We will be sending you deals that meet your needs as soon as we get them."

Over the next few days, they will be getting helpful messages automatically. This helps build rapport and provide more information such as phone number, areas they buy from, types of properties, etc.

Call Capture Services

Call capture services offer you the ability to automate your telephone business communications. Most services offer a detailed tracking method allowing you to have a professional auto attendant answer and route all of your calls accordingly (office, home, cell, assistant, etc.). It also has an unblockable caller ID so you can always capture the caller's information even if they just hang up.

Keeping Track of Your Buyers

There are a variety of services available to systemize the way you keep your list organized. Whether it be as simple as an excel spreadsheet or as detailed as a software program purchased off the internet, make sure you not only have a system to send and receive information with your buyers list but also to track what is working. You also have to consistently look at the amount of people that you are adding every week. This means that you should also have a weekly goal of how many new buyers you would like to add to your list. Constantly focus on the numbers.

Additionally, when you send out a communication to your list, you should be able to find out what percentage of recipients actually opened up and looked at the email.

Grooming Your List

Generally speaking, you will find that about 20% of your list will close on 80% of your deals, should you have closings. You need to get to know those 20% better and send them deals that meet their criteria. Once you have a larger list, it will be even more difficult to remain effective. Instead of shooting in the dark, shed some light on that 20% and target what they want.

You cannot convert someone from being a tire kicker to a serious buyer, but you can treat every single lead you have as a serious buyer until they prove you otherwise. Touching base with your list means doing so not only through email, but all other means of communication as well. It is important that you do this so that when it comes the day that they are ready to buy, you are the first name that comes to mind. You also want to make sure you are making everyone aware of their missed opportunities. The fear of loss is a powerful technique. If other people are buying, most people will wonder if they should too. So when you sell a house, make sure to send out an email, post it on Facebook, do whatever you have to do to make sure that it's seen.



Helpful Tip

Every property you sell should generate 10-30 new leads. Your goal to sell should now also focus on a goal for future sales as well.

Wrap Up

A solid and performing list of buyers can and will purchase multiple properties over an extended period of time. So let's take one last look at how you can build your list of buyers:



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