



Sanford System & Strategies E-NEWSLETTER October 2016

Thank you for subscribing to our newsletter. Walter Sanford was one of the top real estate agents in North America for nearly thirty years, and now, he is one of the most requested speakers, trainers, and coaches. He has authored ten updated systems and books on checklists, pro-active lead generation, listing presentations, buyer systems, and much more which can be found throughout his website. If you would like to contact Walter or have him speak at your event, please email: walter@waltersanford.com

Don't Worry – You Can Manage Your Investment Property

Managing properties can be an absolute nightmare or a huge profit source. It's your choice, based upon the amount of documentation and systems that you implement. Many top real estate agents also have a management division within their offices. This division is usually started and grows by helping investor clients, or it is necessary because of the properties that the real estate agents own themselves. At some point, many top real estate agents might actually leave the business to start their own management companies. Being an "insider" allows you to horizontally integrate your business.

Being a real estate agent and using "insider" secrets to invest allows you to utilize the tools you developed in putting together a great management company. This new skill set allows another form of income to be cultivated from the real estate agent's expansion in management. It is important that the "insider" takes management seriously, whether for yourself or for your clients; therefore, I would like to share with you my *golden rules* of "insider" property management:

1. Attractive properties in quality neighborhoods, which create emotion, will attract a higher caliber of tenants, rent faster, and receive a higher rent.
2. The right tenant will always pay more for the property. Just any tenant will always want to pay less for any property and cause damage to the property. DO NOT ACCEPT just any tenant!
3. It is always better to have a vacancy than a bad tenant.
4. No matter what your gut tells you about a tenant -- never trust it. In fact, in real estate management, only trust your mother. Check all tenants' records including banks, employment, last landlords, credit records, and any other systems that are available for you to determine the pain probability (and your profitability) of this tenant.
5. Rent as if you were going to evict, and you probably will not have to.
6. Courts almost always rule in favor of the person with the most written documents.
7. Cut your losses early. Left to themselves, tenants usually go from bad to worse.
8. Long-term leases may not allow you to participate in appreciating rental rates; however, they do cut down on the most expensive aspect of property management -- turnover. Also, it makes a purchase through you the least costly alternative for a tenant who wants to end a lease early!
9. Consider every tenant as a potential buyer. Having them commit to long-term leases and only letting them out of the lease at expiration date upon a successful purchase of a piece of real estate through you will add many dollars to your real estate brokerage business net profit.
10. Please do not have preconceived ideas regarding how people of certain classes and ethnic backgrounds behave in your rental. I have had losers from all classes and winners from all classes. Only discriminate on the basis of their ability to pay and their references! No other prejudices should ever enter into the decision-making process. We understand this in real estate -- carry it through to your management.
11. Never rent to people unless you have seen where they currently live. I do not care if they are twelve states away. If you cannot send one of your real estate agent buddies out of your local referral directory to go visit their home, I would prefer that you did not rent to them. I guarantee that your property will look exactly like their current abode within three months.
12. Minimize your expenses through preventative maintenance. It always adds value to the property. A property can be improved in many different ways. The improvement that adds value to the property is always the best. Band-Aids end up costing you more money and are usually always done by owners who have short-term ownership mentality. Since our "insider" real estate acquisition policy requires that we own property long term, adding value and repairing items for the long term is the most profitable method to accomplish your goals.
13. It will always cost you more to have someone else manage your property than if you would manage the property yourself. Please be aware of the amount of money you make in your real estate business before you give up your real estate business time to manage properties. Property management companies can charge between 6-10% of gross rent to manage your property, and if you believe you would be spending time away from a more profitable business, i.e. real estate business, then you will need to make the decision whether or not you should hire a management company. If you can hire someone within your own office to take care of the majority of the management duties, this would be a less expensive method. A good rule of thumb, when you own between 1 and 20 units, is for you to have a management company handle them for you while you make commission income. After 20 units, it usually makes sense for you to hire a full-time person to take care of most of the management duties.
14. Having checklists and systems in your management business is paramount to making certain that all the "I's" are dotted and "t's" are crossed.

Now that you understand some of my golden rules for "insider" property management, get my systems and checklists that I recommend you use to make certain that the business of your newly-acquired investment property is run correctly.



even negotiation strategies. The audio CDs for your investor clients and for yourself as an investor.

Call 800.792.5837 and ask for the NEWSLETTER SPECIAL- just \$30 plus shipping.

Visit us at www.waltersanford.com or call us at 800.792.5837 for more details on coaching, speaking, or training materials.

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Broker Agent Advisor

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Well, they have a new platform and approach that you'll want to check out at '[Broker★Agent Advisor](#)'. Here you'll find cutting edge ideas brought to you by some of the greatest minds in real estate, including yours truly.

I'd consider it a **personal** favor if you could take a few moments to review and leave some feedback or a comment on my posts, in particular --

- [Overcoming 4 of the Most Common Seller Objections](#)
- [How to Control Expires in Your Market](#)
- [Payback Time](#)

Our Coaching Program

The very best business leaders all have someone in their corner whom they can go to for advice, leadership, and teaching. Unfortunately, the average person has no coach and too often allows himself to be influenced by those who have never achieved high levels of success.

With nearly thirty years of real estate experience including record levels of high real estate production and creative business systems, Walter Sanford offers personal coaching to a select group of clients each year.

Why not make this year the one when you start enjoying your career, your family, and your life? We have a few spaces left in Walter's personal coaching program.

Please call our office at **1.800.792.5837** to arrange a free phone consultation with Walter for you to see if this may be the year that you take your business to the next level.



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