



# WHEN SHOULD YOU BRING ON A REAL ESTATE ADVISOR?

In real estate investment, you will be recommended countless professional services. How many of them are truly necessary? Ultimately, who you need on your team greatly depends on your investment strategies, portfolio size, and personal goals. Regardless, it's always wise to at least consult investment and financial advisors when you're looking to buy, sell, or inherit property.



There are distinctions between a real estate investment advisor (also called a consultant) and your average financial advisor. While a real estate investor may benefit from a financial planner or advisor, they're not always the right people to go to for matters of real estate investment.

There are a few reasons certified, traditional financial advisors don't really talk about the opportunities found in real estate:

- Lack of commission/compensation for the advisor
- A lack of education in real estate investing
- Tough regulatory oversight and compliance guidelines

By contrast, a real estate investment consultant is your go-to person for maximizing your wealth in real estate investment. They work behind the scenes to find the best opportunities for you, to help you build a bullet-proof portfolio, and set the stage for long-term success.

Typically, you will find that these pros work more commonly with commercial investors over residential ones. But that doesn't mean your average SFR investor shouldn't utilize their services. Here's why you might want to bring on an advisor...

## TO GIVE YOU AN ADVANTAGE

From the very beginning, your advisor will help you articulate, clarify, and set your short and long-term goals. For real estate investors, knowing exactly what you're looking for in your portfolio and why you're investing guides the whole process. Your advisor makes sure your goals are solid and that your acquisitions are meeting those goals.

## TO CONFIRM VIABLE OPPORTUNITIES

Your advisor will know what is and is not a good investment opportunity. They're experts at running the numbers and understanding them. If you're not sure whether an investment will be suitable for your portfolio, an advisor can help you see the potential...and the pitfalls.



## TO DO THE HEAVY RESEARCH

Passive real estate investors are busy people. As much as we want to dive deep into market research, it's not something we always have time for. Your real estate consultant is the one who does all the behind-the-scenes research. They'll look at comps, prices, supply and demand, economic factors, and overall market health and stability. Based on your goals, they'll help you know where you should invest and what you should avoid.

## TO HELP MANAGE RISK

Because real estate advisors have a wealth of experience in the industry, they can help investors of all kinds – and especially new investors – avoid some of the big mistakes and missteps. They'll keep an eye on portfolio performance and help you manage existing and emerging risks that threaten your wealth. They may help you evaluate insurance policies and property appraisals as well as establish viable exit strategies.

## TO KEEP AN EYE ON COST-EFFECTIVENESS

Investing in real estate is expensive, no doubt about it. Although it is well-worth the premium, a real estate investment advisor will help you avoid unnecessary costs. Some of these costs come from mistakes and oversights, while some are just a matter of knowing the resources available to you. Being cost-effective isn't about being cheap – it's about using your money wisely and maximizing the potential in your portfolio as a whole and in your individual investment properties.

## TO ADD TO THE EXPERIENCE LEVEL OF YOUR TEAM

At the end of the day, the greatest value in consulting a real estate advisor is leveraged experience. Real estate investors benefit enormously from those who have been in the business a long time. Not only do they understand the best strategies and greatest risks, but they can help you develop the best possible plan for achieving your wealth-building potential.

Ideally, your consultant is someone fully invested in your success as a real estate investor. When this is true, they will use every trick in the book, every strategy, and every experience – both their successes and failures – to guide you along the right path.

Investors are only as strong as their team; including a real estate investment advisor takes you to the next level!