

BUY IT, RENT IT, PROFIT!

GUIDE 0004

REAL STATE INVESTING IN OPERATIONS GUIDES

Key Skills That Set Commercial Agents And Brokers Apart

Licensed real estate agents and brokers have a unique set of skills that make them great general partners with commercial investments. The skills required for selling commercial properties are different from those required for selling homes. Here are some of the key skills that set commercial agents and brokers apart:

- Underwriting due-diligence: Commercial properties require a more thorough due-diligence process than residential properties. Agents and brokers who specialize in commercial real estate are familiar with this process and can provide valuable insights into the property's potential cash flow, risks, and investment value.
- Property and asset management skills: Commercial properties require a higher level of management and maintenance than residential properties. Agents and brokers with experience in commercial real estate are well-versed in property and asset management, including leasing, tenant relations, and maintenance.
- Financing knowledge: Commercial properties often require more complex financing structures than residential properties.

 Agents and brokers who specialize in commercial real estate have a deep understanding of financing options, including traditional mortgages, private financing, and seller financing.
- Investment analysis skills: Commercial investments require a more in-depth analysis than residential properties. Agents and brokers with experience in commercial real estate can provide valuable insights into market trends, cash flow, cap rates, and other investment metrics.

Selling a home provides a one-time commission income for real estate agents and brokers. However, participating in a multifamily investment can provide passive income as well as monthly income from management fees. For example, if an agent or broker invests in a multifamily property and partners with a property management company to manage the property, they can earn a percentage of the monthly rental income as well as management fees. This provides a source of passive income that continues even after the property has been sold.

Overall, licensed real estate agents and brokers who specialize in commercial real estate have a unique set of skills that can make them valuable general partners with commercial investments. By leveraging their underwriting due-diligence, property and asset management skills, financing knowledge, and investment analysis skills, they can help investors access profitable commercial investment opportunities and earn passive income over the long-term.