

Flip This Wholesaler Presents....

7 Ways to Find Buyers for Your Wholesale Deals

When wholesaling properties, I recommend having a few solid buyers lined up BEFORE you start making offers. Nothing is more stressful than getting an offer accepted and then having to scramble around looking for a buyer. Having one or two investors waiting in the wings for deals will make the wholesaling process much easier on you.

Following are 7 methods that I use on a continual basis to grow my buyers list.

#1: Handwritten Bandit Signs

This is, by far, the most effective strategy I use to find buyers. I use 12×18 blank, white, corrugated plastic signs, and write on them with black or red permanent marker. I get my signs from a local sign shop, but there are plenty of online sources, such as Banditsigns.com, where you can order blank signs on the cheap. One of my typical signs looks like this:



(I've found through trial and error that adding the phrase "Cash Only" is a great way to weed out the tire kickers.)

Once I get a property under contract, I place between 10 and 20 signs in and around the neighborhood where the property is located. If I don't have any deals of my own to market, I will sometimes contact a few of the other wholesalers in town and see if they have properties that I can market for them. These signs ALWAYS get my phone ringing.

Once your phone starts ringing, you want to make sure that you aren't just giving out the property address and then hanging up. You want to get as much information from the caller as possible. Find out what type of deals they are looking for- what part of town they like to invest in, the price range they want to be in, etc.

Even if they don't wind up buying this particular deal from you, you will want to add them to your buyers list and call them up next time you get something that fits their criteria.

If you're going to be using signs to market your deals, make sure to check your local ordinances, as some areas have restrictions on where signs can and can not be placed.

#2: Research Cash Sales in the MLS

If you want to know who the active cash buyers are in a particular neighborhood, do a search in the MLS (or have someone do it for you) for recent cash sales. Since all MLS systems are set up differently, you may have to play around with yours to figure out how to search for cash sales.

In my MLS, there is a field that you can add to your searches termed, "Sold Terms." This allows you to see how a property was purchased (e.g. cash, conventional loan, private lender, etc). When I do my searches, I usually only go back 2 weeks, and I look for the lowest cash sales in the neighborhoods that I am working in (these will most likely be investor purchases).

Once I get a list of the houses that have recently sold for cash, I take a drive out to each of the properties. Nine times out of ten there is either a rehab crew on site, or a "For Sale" or "For Rent" sign in the front yard.

If there are people working on the house, I will stop in, introduce myself, and leave a business card. If there is a "For Rent" or "For Sale" sign in the yard, I will call the number and strike up a conversation with the investor to see if they are looking for more homes in the area. If so, I find out what type of deals they are looking for and then add them to my buyers list.

If you want to keep your buyers list as fresh and current as possible, I recommend doing this at least once every month.

#3: Utilize Other Wholesalers

Many times, when I am not able to unload a deal to any of my own buyers, I will call up some of the active wholesalers in my market and ask them if one of their buyers might be interested in the property.

Probably half of the deals I have closed over the last 2 years were JV deals (joint venture deals) with other wholesalers, where either I found a buyer for one of their properties, or they found a buyer for one of mine.

How you structure your deal when another wholesaler is involved is totally up to you- you can do a 50/50 split, or you can tell them the price that you need to net, and have them add their fee on top of your price when they market it to their buyers.

If the other wholesaler is a licensed agent, you can pay them their fee as a commission when the deal closes. If they are not licensed, they can simply put the property under contract with you, and then assign that contract to their end buyer and collect an assignment fee at closing.

#4: Call “For Rent” Signs in Your Target Neighborhoods

One of my favorite ways to find buyers is by calling “For Rent” signs in the neighborhoods where I am trying to sell deals. Most of the investors I sell to are landlords, and calling “For Rent” signs is one of the best ways I know of to find more landlord buyers.

When I call the investors, I am totally honest with them- I tell them I am a wholesaler who has been getting some great deals in the neighborhood, and was wondering if they were looking for any more rentals in the area. If so, I find out exactly what type of deals they are looking for, and ask them if it would be OK if I gave them a call next time I have a deal that fits their criteria. While cold calling investors might seem a little intimidating at first, it will get easier and easier the more you do it. I’ve made a lot of money selling deals to investors who I found in this manner, so I always make a point of calling any “For Rent” signs I see when I am out looking at properties.

#5: Craigslist.org

There’s no cheaper or easier way to build your buyers list than by posting your deals on free online classified sites such as Craigslist.org. If you don’t have any of your own deals to advertise, you can contact some of the other wholesalers in your area and ask them if you can market one of theirs.

When I am marketing a property on Craigslist, I try to post at least two ads each day until the deal sells. Craigslist won’t let you post duplicate ads, so you will have to change the wording a little bit if you want to post more than once daily.

My Craigslist ads usually look something like this:

INVESTOR SPECIAL. MUST SELL!

Great deal in South Tampa!

3/2 1200 sf concrete block home. Needs minor cosmetics Asking 45k CASH ONLY

Call 813.123.4567 for details.

If you don’t have any of your own deals to market, and you can’t find any wholesalers who have deals for you to sell, you can always place a generic ad on Craigslist that says something like this:

CASH INVESTORS WANTED!

Local wholesaler seeks CASH BUYERS to purchase investment properties at 50-60% of market value. Call or email Steph for details: 123.456.7890

The great thing about Craigslist is that it’s free, so you can always switch up the wording in your ads to see what works and what doesn’t.

Keep in mind that ads can be hit or miss, so don’t get discouraged if you post an ad and don’t get any responses. If you are consistent and make a habit of posting one or two ads daily, you will start getting calls and emails, and your list will begin to grow.

#6: Attend Your Local REIA Meetings

REIA meetings are a great place to network with other investors and wholesalers in your market. There are usually at least one or two active buyers at these meetings, and you want to do your best to connect with them. Try to find out as much information from them as possible about the kind of deals they are looking for- what areas they prefer to buy in, how much are they willing to pay for houses in those areas, etc.

If there are other wholesalers at the meetings, introduce yourself and see if they have any deals that you can market for them. Like I mentioned earlier, selling deals for other wholesalers is a great, risk-free way to build your buyers list, get to know new neighborhoods, and possibly make some money while you're at it.

#7: Call "We Buy Houses" ads or signs

When I was just getting started, I would grab a paper or hop on Craigslist and go down the list of "We Buy Houses" ads, call all of them up, and introduce myself to whoever answered. I was intimidated at first, but after awhile I became very comfortable doing it, and I ended up making a lot of good connections while making those calls.

Many times, the ads were placed by other wholesalers, and this is one of the ways that I was able to build the large network of wholesalers who I joint venture with on deals today.

So there ya have it! Those are my top 7 ways for finding buyers for my wholesale deals. If you have any questions about what you've read in this report- you can always find me over on my blog: <http://www.flipthiswholesaler.net>