



Commercial Classroom: Creating Opportunities - by Edward Smith, Jr.

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Creating Business Opportunities

As we start thinking about 2024, we need to set our goals for the year and create plans for how to achieve them. What are your goals for yourself, your family, and your business? It is important to write down your goals, as doing so implants them in your subconscious mind. It helps remind you why you are working so hard.

Real estate is a people business, to be successful you need to meet a lot of people. A great source are residential agents in your and other firm's offices. Ask them, after they close their sale transactions, to refer their buyers to you. Explain you will pay them a referral fee if you do a commercial transaction with their clients.

Meet with the clients and explain the commercial and investment services you can provide. These people may be business owners or be looking for investment property for themselves or be employees who could introduce you to the real estate Director in their company.

Another part of your referral program is to send out five letters a day, reminding folks from your sphere of influence list, current customers, and prior customer lists, that you are in the commercial and investment real estate business. Ask them for a referral, do they know anyone else that you could be of service to? Add a handwritten P. S. to the letter, indicating how you know them. How are the kids? How's your golf game? It's been a while since I sold you the house. Will I see you at the next Lions Club meeting?

Follow this up with a phone call a week later, did you get a letter? Did you think of anyone else I may be able to help? Then advise them you will be sending out a monthly email "newsletter" with community news and obtain their email address. That is the real goal of this program. Once a month, creating a simple email is all that is needed, talking about businesses moving in or out of town and upcoming local events.

With this program you are contacting 1,200 people a year (5 letters with 5 follow up calls each day, 25 contacts a week, 100 a month). It will only take you about 30 minutes a day to write your five letters and do your five follow-up phone calls. Plus, the redundancy of contacting them each month thereafter, will keep you “top of mind”. Always close your e-newsletter; with: “Did you think of anyone I can be of service to?”

Systematically visit two businesses a day in “your” town, speak with the tenant, 10 a week, 40 a month, 480 personal contacts a year with potential clients. Be sure to catalog their information on your computer and plan to revisit them in a few months.

Ask them who their landlord is and make an appointment to meet with them. Do they have any tenants not renewing their leases, are they ready to buy another investment property or sell this building?

Sometimes the business owner is also the building owner. When you visit, have some investment property listings with you, then you can immediately talk to them about another investment opportunity. Also ask if they are interested in selling this building.

Read the classified in your local newspaper. Call 2 FSBO’s a day, make appointments to inspect the space they listed in the paper. When you meet with them, you already know they own the building, so treat them as an investor and show them other investment properties that are available. This is another 10 contacts a week, 40 a month, 480 a year.

(Note: NY agents are currently prohibited from phone cold calls, due to the NYS State of Emergency, to solicit a listing. However, you may call a FSBO if you have an actual client for that space.)

With just these three techniques you are creating over 2,000 new business opportunities each year.

Prospect at least an hour each day to build your future commercial business and to accomplish your business goals.

Where else can you find potential clients? At Chamber of Commerce and Service Club meetings; get involved with your community by joining these groups of businesspeople. Be active, join some committees.

When I first joined a Kiwanis club, they were having a fundraising golf tournament. I volunteered and took the job no one else wanted, signing everyone in and recording their scores at the end of play, as a result I did not get to play. But I got to personally meet just about every member of the club.

When you join these groups, what you want to do is to meet as many members as possible, being active on committees will give you more exposure. When you attend the meetings be sure to sit at a different table each time.

Become the speaker at some of these meetings, talking about what's happening in real estate in your area or topics like how investment properties are valued. Become known as "the Commercial Expert" in town.

Another way to reach potential clients is by forming a "Leads" group. In the group there is only one person from various businesses. You being the only person doing Real Estate. The other members may include, for example, an Accountant, Office Designer, Moving Company, Lawyer, Architect, Insurance Agent, Property Manager, Records Storage, Office Furniture, Janitorial Company, IT Provider, or a Telecommunications Company.

Ideally the group will be relatively small, 10-12 people (to keep the meetings short) and meet for "breakfast" once a month. Each person attending brings two leads, contact information about businesses moving into town, expanding, or relocating. Each person represents a different business, so all may contact the leads and offer their services.

But there needs to be some rules otherwise this may become a social gathering and not be developing new business. If any member shows up for two meetings with no leads they are out of the group and another person from that business field will replace them. Once you have a cohesive group with all participating you will see results.

Simply start by approaching someone you know in another business, select another person or two together and have your first meeting, distribute the rules and a contact information form. Also, at that meeting the group can decide on who else to invite.

Meet as many new people, as possible, every day, this is how you create new business opportunities!

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