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Wholesale real estate example

Investing in real estate usually requires you to have a sizable amount of capital and knowledge about the real estate process.If you don't have a lot of money to spend upfront but want to learn more about the world of real estate investing, wholesaling real estate may be the perfect way to start.Wholesaling is different from other forms of investing in real estate because it doesn't require that you put your own money at risk or hold onto a property for an extended period of time.You won't need to rehab or renovate any properties, deal with tenants, or worry about a property's value changing over time.There are several essential points you should understand about wholesaling real estate before you get started.We'll cover them all here, show you some examples, and give you a checklist you can use to begin wholesaling when you find the right property.What Is Wholesale Real Estate?Real estate wholesaling involves a seller, a wholesaler, and an end buyer—someone who eventually purchases the property from the wholesaler. The seller lists a property for sale (usually one in need of renovations) and is contacted by the wholesaler.The wholesaler acts like the middleman and accepts a pre-written contract for the sale of the property, but doesn't buy the property themselves. Instead, they "shop" the property around for interested buyers.When they find a buyer, the seller's contract applies, and the wholesaler simply collects an assignment fee from the transaction. This might be a percentage of the total sale price.It could be the difference between the amount the seller originally asked for the property and the amount the wholesaler had a buyer agree to. We'll look at an example below. Who usually buys properties from wholesalers?It's often other real estate investors who can depend on the wholesaler to find properties priced below market value. Even with the fee the wholesaler takes out of the sale price, the price of the property will be lower than a property that has been "fixed and flipped."Wholesaling Vs. Fix and FlipWholesaling is not the same strategy as "fix and flip." Here are the main differences between these two real estate investment strategies:Upfront capital is required. Fix-and-flip investors buy and renovate a property to eventually sell it for a higher price than they bought it for. Wholesalers don't need any capital upfront; their strategy is to find a buyer and take a fee out of the sale price.Maintenance and repairs. Fix and flip investors are heavily involved in the property; if they're not making the repairs and renovations themselves, they're hiring crews to do them. Every cent comes out of their own pocket.Wholesalers, on the other hand, aren't on the hook for any maintenance, rehab, or renovation projects. That's the end buyer's responsibility.Property ownership. Fix-and-flip Investors actually own the properties they are renovating. Wholesalers never own the properties they represent for sellers. They are purely the middleman during the transaction.Period of involvement. A fix-and-flip investor owns the property for as long as they want. They might flip a house to sell it quickly or plan to hold onto it indefinitely to make rental income from it.Wholesalers are involved on a very short-term basis. Once the contract closes with the buyer and they collect their fee, their involvement ends.While there are some similarities between these two investment strategies, the goals of fix and flip investors are very different from the goals of real estate wholesalers.Wholesaling real estate can be an excellent way to segue into fixing and flipping properties later on.You'll learn about the real estate sale process in detail, get a better understanding of the real estate market in your area, and meet other real estate investors who you can learn a lot from.Wholesale Real Estate ExampleLet's consider an example to pull it all together. A woman inherits a house but doesn't want to deal with the number of repairs it needs to sell it at market value. She puts the property up for sale at \$75,000 and is approached by a wholesaler.The wholesaler offers to quickly find a buyer for the property that will exceed her asking price on the condition that they are allowed to keep the difference.She agrees, and the wholesaler contacts a few real estate investors to see if they'd be interested in the property at \$85,000 When one of the investors agrees to buy the property for \$85,000, the wholesaler keeps the \$10,000 difference in the asking and purchase price. That's the fascinating part about wholesaling real estate.In this example, the wholesaler collected a \$10,000 profit without ever putting up capital, owning the home, worrying about repairs, managing tenants, or dealing with the eventual sale of the investment property.If you think wholesaling real estate is right for you, take a look at our checklist below to see how you can get started.Wholesaling ChecklistBuild a roster of buyers. It's helpful if you're connected to a group of real estate investors who will appreciate investment properties being brought to them rather than seeking them out.If you're not already, you may want to join your local Real Estate Investors Association (REIA) to meet other investors in your area.Find the right property. The next step is finding a "distressed" property (one that needs repairs or renovations) that is listed for a low price and will be attractive to investors. Distressed properties are likely to have motivated sellers who are willing to accept a lower offer.If you're considering making this a full-time pursuit, you can reach motivated sellers who may want to sell for a low price.Do this by purchasing lists of property owners who are going through a major life change (divorce, change of job, property heirs, those who are behind on property taxes, etc.)Do your research. You will need to do some local research to see if the price is right for the property. Also, consider what kinds of repairs the eventual buyer will need to pay for.If the entire roof needs to be replaced, that's a much bigger expense than replacing some siding or tearing out carpet. You want to make sure the deal you're offering to investors is one they can profit from in the end.Make an offer. Talk to the seller about the repairs and renovations the property will need. Explain that you will personally find a buyer who is willing to exceed the amount of your offer and that you'll keep the difference or collect an assignment fee.Remember: Make a fair offer that is low enough to leave you enough room to make a profit on the sale, but not so low that it's offensive to the seller.Add a contingency. Once you've made an offer and the seller has accepted it, you'll enter into a purchase contract. This protects the seller and you.As a wholesaler, you don't want to be on the hook for a property if your efforts fail, and you need to find a buyer. You will add a contingency to the purchase contract that gives you the ability to exit the deal if you don't find a buyer in time.Find a buyer. Ideally, finding a buyer is a step you should start thinking about much earlier in the process. As soon as you find the right property, you should begin asking investors you know if they'd be interested or start reaching out to them. Without a buyer, you won't make any profit by wholesaling.Assign your fee. When the buyer is ready to close on the property, you'll create your assignment fee with the buyer.You might ask for the cash difference between the amount on your offer and the amount the buyer purchased for, a percentage of the total sale, or a flat fee. Once your fee is decided, the rest is just paperwork.Execute an assignment of a contract agreement. The purchase contract you signed with the seller before will now be assigned to the buyer, freeing you from any financial obligations and transferring them to the seller.It keeps all the terms of the original contract. Once this happens, you might collect a deposit from the buyer while you wait for the closing.Collect your fee. At closing, the buyer will have the funds to both purchase the property and pay your assignment fee. The title company you use will write you a check for the full amount of your assignment fee.Is Wholesaling Real Estate Right for You?With this in mind, is this something you can see yourself doing? Wholesaling might be the right investment strategy for you if you meet the following criteria:You don't have a lot of capital to invest upfrontYou're uncertain about investing your money into real estateYour credit score prevents you from getting financingYou don't want the hassle of dealing with repairs and renovationsYou don't want to be responsible for property maintenance over timeYou don't want to manage tenants and collect rentYou prefer a short-term investment to a long-term oneYou want to learn more about real estate and connect with investorsYou believe you can find interested buyersYou're a good negotiator and communicatorYou have an understanding of real estate or are willing to learnThis is why wholesaling is a great "entry-level" way to get into real estate investing. In fact, wholesaling can provide you with the cash you need to start making larger and more profitable investments.The profits you make from a few wholesale properties could be enough for you to buy a fix-upper with cash.While it's a little more complex than just being the middleman for the sale of a property, it's still an excellent way to generate cash quickly or a simply see if real estate investing is something you'd do well in. If you're interested in investing in real estate but daunted by the amount of cash needed to buy, finance, maintain, and sell a property, consider wholesaling real estate as an alternative. With wholesale real estate, you can make money from the sale of a home without having to invest your own money in the property or get a real estate license. Read on to learn more about wholesale real estate and whether it makes sense for your investment goals. Key Takeaways: Wholesale real estate is an opportunity to make money in real estate without needing a down payment, good credit or a real estate broker license. Making consistent money in wholesale real estate takes time, hard work, an extensive network, and persistence. Successful wholesalers ensure that they follow relevant real estate laws, which can vary from state to state. Wholesale real estate is a business strategy in which an investor finds a property that an owner is willing to sell and enters into a contract to buy it for an agreed-upon price. The investor then sells that contract to a buyer willing to pay a higher price and keeps the difference as profit. The advantage of wholesaling real estate is it doesn't require investors to buy properties before they sell them. Virtual wholesaling means you find and close a deal for the property without visiting it in person - the entire transaction is conducted remotely online. The only difference between traditional and virtual wholesaling is that with virtual wholesaling, you complete transactions without your physical presence. This is done using the internet, email, digital signatures, smartphones and fax. It can be pretty effective and is increasingly common as more real estate transactions go online. According to the National Association of Realtors, 51% of home buyers in 2023 found the home they bought online, compared with 29% who found their home through a real estate agent. Discover mortgage options that fit your unique financial needs.Refinance your mortgage to have more money for what matters.Use your home's equity and unlock cash to achieve your goals. Turning a profit as a wholesaler takes a lot of effort, time and savvy - especially for beginners. But it may become a lucrative career or side hustle if you're willing to put in the work. "Wholesaling is ideal for individuals with strong negotiation skills, a good understanding of the real estate market, and the ability to work under pressure," says Mehdi Khachani, a Realtor and the CEO of JMK Property Management in Miami Beach, Florida. "It may not be suitable for those who prefer stable, long-term investments or lack market knowledge." There are seven basic steps to wholesaling real estate. Wholesaling laws vary from state to state, so it's important to consult an attorney to understand and comply with the law in the state where you're conducting business. Real estate laws can be challenging to understand, and running afoul of the law is easy if you are not clear in what you are doing, says Evan Karam, a Realtor and co-owner of We Buy Casa in El Paso, Texas, who has been wholesaling real estate for over a decade. For instance, it's a good idea to make it clear that you are not a real estate broker and that you plan to sell the rights to buy the property to another party, Karam says. These are just a few of the reasons new wholesalers should consult professionals. The most desirable properties for wholesalers usually are distressed properties. Homes that have been abandoned, are about to go into foreclosure, or are in preforeclosure or are in some state of serious disrepair. Such homes are difficult to sell at market value but have good prospects for wholesaling. There are several ways to find these properties: Drive around neighborhoods and look for vacant houses in disrepair. This is often called "driving for dollars." Then, leave a note in the mailbox or research the home online to find and contact the owner. Advertise online or on social media that you're looking for houses to buy. Mail announcements to owners of distressed properties asking if they'd be interested in selling. Research estate sales for properties likely to be put up for sale or go to auction. If you have a friend or contact in real estate, search a local multiple listing service for distressed or foreclosed properties. Keep an eye out for homes in preforeclosure, as their owners might want to sell quickly to avoid foreclosure. Try old-fashioned word of mouth. Knock on doors or ask friends and neighbors if they know anyone who needs to sell their home but might not want to put it on the market. Once you find a suitable property, you will want to look for comparable properties, or comps to assess its market value. Search for similar properties that have sold in recent months using sites such as Zillow or Redfin. Colten Claus, a Realtor and associate broker with 8z Real Estate in Colorado Springs, Colorado, says key factors to consider include: Location Size Number of bedrooms and bathrooms Condition Property style and age Improvements, renovations or amenities How recently the comps sold Use the comps to estimate the expected market price of your target property. For instance, is it in worse shape, with many major repairs needed? Does it have a pool or a larger backyard? Is it in a better or worse location? Next, you'll want to determine whether the profit you expect from wholesaling the property is worth your time and effort. This requires you to calculate what's known as the maximum allowable offer, or MAO. You'll want to start by determining the property's market value after making major repairs. The general rule when wholesaling is that the investor never offers the end buyer a distressed property for more than 70% of its after-repairs value, Karam says. Next, you'll need to consider how much it will cost to find the property, negotiate and write a contract with the seller, and find an end buyer. Then there's the cost required to make any major repairs the property needs, as well as closing costs, homeowners insurance and property taxes. Lastly, you need to make a profit. Wholesale fees typically cost between 5% and 10% of the total property price. Putting all that into a formula looks like this: After-repairs value \times (0.7) - costs for repairs - fixed costs - wholesale fee = MAO It's also important to remember that wholesaling is not about emotions or playing a long game, says Andrew Fortune, a Realtor and owner of Great Colorado Homes in Colorado Springs, Colorado. "Wholesale properties are bought and sold in weeks or months, so long-term appreciation projections are not as important as buying and holding properties," he says. "It's strictly a monetary transaction without any emotional connection. Margins are the main thing that makes the deals work." Once you know your MAO, you can negotiate a deal with the owner. The contract needs to have two parts: A purchase and sale agreement. This details the sale of the home to the wholesaler and includes the purchase price, terms, and any contingencies or earnest money deposits. A reassignment contract. This agreement allows the wholesaler to transfer the rights to purchase the property to the end buyer. The assignment contract will include a copy of the original purchase and sale agreement, as well as the wholesaler's terms of payment. It's a good idea to consult a real estate attorney when drawing up a contract. For new wholesalers, finding a potential buyer can be the most challenging step. Claus suggests building a buyers list through networking, social media, real estate forums, and local investment clubs. You can also use targeted advertising on platforms like Facebook and Craigslist to reach potential buyers. Here are some potential starting points: Contact local real estate agents. They might have current or past clients who are cash buyers looking for properties. Identify and approach house flippers. Create a website and use social media to advertise that you are seeking a cash buyer. Search public and free online directories for public records of cash sales. Buy an online directory of real estate investors or cash buyers. Again, make sure that you're in compliance with state laws here. Many states have begun restricting wholesale real estate. For example, California could fine you if you market properties or your wholesaling services without a real estate license. To reassign the contract to the buyer, you must complete an agreement that transfers the contract you signed with the seller to the end buyer for the agreed-upon amount. The difference between the amount you agreed to pay to the seller and the amount the buyer has agreed to pay for the home will be your profit, or wholesale fee. Upon accepting your wholesale fee for reassigning the contract, you relinquish your rights to the home, and the end buyer then takes possession. Get matched with a lender that can help you find the right mortgage. Here are some ways you can increase your odds of success during the wholesaling process: Do your research before getting started. Ensure you know the laws governing wholesale real estate deals in the area or areas you plan to operate within. Also, thoroughly investigate the time and resources you will need to succeed. Network with real estate pros. Developing a solid network of real estate professionals - including other wholesalers, investors and agents - will help when it's time to sell your property. Building strong relationships within these areas before you begin the wholesaling process will give you a greater chance of finalizing deals than if you were starting from scratch. Budget for marketing. Setting aside a budget for marketing efforts can help you reach a wider audience for the final sale. This might include targeted online advertising or aggressive social media campaigns to raise your visibility. Acquire some soft skills. While knowledge of the real estate industry is certainly important, developing soft skills like negotiating, communicating and problem-solving can also be critical to success in wholesaling houses. Find a lender that will work with your unique financial situation. As with most businesses, wholesale real estate comes with advantages and disadvantages. When done with care and planning, wholesaling can offer many benefits: Because wholesaling does not involve buying the property, you take on less financial risk. You are merely functioning as a middleman, so you don't need to invest any money or very little. You may not need a real estate license. You also don't need renovation experience, since you won't be making improvements to the house yourself. There's the potential for quick payment turnaround. Since you aren't trying to qualify for a mortgage, a good credit score is not needed. Through virtual wholesaling, you can complete deals from anywhere and expand into new markets. You can do multiple deals at once, maximizing your profit. Once you gain skills and real estate contacts, there is a potential for a steady income. Adding another income stream diversifies your wealth portfolio. Because you are technically a business, expense write-offs could offer potential tax advantages. Make sure you are aware of these potential risks, along with others, before you jump into wholesale real estate: Wholesale real estate is not a guaranteed or stable income source or career. Because finding buyers is difficult, starting out can take a lot of time and effort. As a wholesaler, you have no liquid assets to convert to cash quickly if needed. The profit margin for wholesale real estate might not be as high as it would be with other forms of investing, like house flipping, especially for the time and work involved. Investing always carries inherent risk, so you could potentially lose money. The world of wholesale real estate is a complex one. Here are some answers to common questions: Wholesaling real estate can be a competitive and challenging field, and success may not come overnight. Consistency, hard work and a willingness to learn the ins and outs of the industry can increase your odds as a real estate wholesaler. More From Quicken Loans: Joel Reese contributed to the reporting of this article. Terence Loose is an award-winning journalist who has held editorial positions at national and regional magazines and served as a content analyst and writer for Netflix. His work has appeared in the Los Angeles Times, The Orange County Register, CNBC, Yahoo and HuffPost, among others. He has also taught writing at UCLA, UC Irvine and Netflix. View Profile What if I told you that you could make thousands of dollars flipping real estate contracts—without ever owning a property? That's exactly what wholesaling real estate is. You find a distressed property, negotiate a contract with the seller, and then assign that contract to an investor for a fee. No cash needed—just strategy and execution. I know this works because I've done it myself. Three years ago, I was just like you—looking for a way to escape the 9-5 grind, work for myself, and make money fast. I wanted the freedom to work virtually, set my own schedule, and build real wealth through real estate. What started as a side hustle quickly turned into a 7-figure wholesaling business. But along the way, I discovered something even bigger—my passion for real estate investing. Now, my goal is to build a portfolio of 1,000 doors, and wholesaling is the foundation that got me started. If you're ready to take control of your financial future, this guide will walk you through the exact 10 steps to get your first wholesale deal. By the end, you'll have a clear roadmap to start wholesaling real estate—even if you have no experience and no money to invest upfront. Before you start wholesaling real estate, you need to be crystal clear on why you're doing it. Your goals will shape everything—from the type of properties you target to the strategies you use to find deals. Ask yourself: Do you want to make as much money as possible, as fast as possible? If so, you should focus on cash wholesale deals with distressed properties. Are you a long-term investor looking to build a rental portfolio? You may want to focus on creative financing deals (subject-to, seller financing) to hold properties with little money down. Why This Matters:Your goal determines: What kind of properties you target (single-family, multifamily, land) Where you look for deals (specific states, cities, or zip codes) The types of sellers you approach (pre-foreclosures, landlords, motivated homeowners) Pro Tip: If your goal is long-term real estate wealth, use wholesaling as your cash-generating machine. Make money through wholesaling first, then reinvest that money into rental properties and creative finance deals. That's exactly what I'm doing to build my dream 1,000-door portfolio. Once you've set your goals, it's time to find leads—because without leads, you have no deals. Your success in wholesaling depends on your ability to find motivated sellers. There are two main ways to wholesale: On-Market - Easier but less profitable (working with realtors and listed properties). Off-Market - Harder but more profitable (finding direct-to-seller deals). If you're looking for a simple way to start, on-market wholesaling is the fastest route. This means finding ugly, distressed properties listed on sites like Zillow or Realtor.com, then negotiating directly with the listing agent. Here's how to do it: Search for properties that have been sitting on the market for 90+ days. Look for homes that are vacant, need work, or are priced below market value. Call the real estate agent and negotiate a deal—your goal is to get the property under contract below market value. Pro Tip: A hybrid of on-market and off-market wholesaling is For Sale By Owner (FSBO). These are properties listed by the seller directly, and they often provide a direct phone number—so you can call them without going through an agent. If you want bigger assignment fees, go direct-to-seller. This means finding distressed homeowners before they list their property for sale. Here's how: Pull Lists of Distressed Properties - These include pre-foreclosures, probate, divorce, tax liens, and vacant properties. Use a Lead Generation Software - Tools like Xleads (Use promo code 10OFF) let you pull these lists and even provide contact info. "Driving for Dollars" - This means driving through neighborhoods and looking for abandoned, overgrown, or damaged homes. My favorite software for this is Dealmachine. Now that you have a list of potential leads, it's time to reach out and start conversations. This is where most beginners hesitate—but remember, you're not trying to convince anyone to sell. You're simply finding people who already want to sell and offering them a solution. There are many ways to reach out, my favorites are: Cold Calling - Dial sellers directly and ask if they're interested in selling. Text Blasting - Send bulk messages to gauge interest quickly. Pay Per Lead - Purchase hot motivated leads Once you have a list of potential properties, you need phone numbers and emails to contact the owners. This process is called skip tracing, and you can use services like: Xleads or Dealmachine (Pulls lists and includes skip tracing) SkipMatrix (Best for bulk skip tracing) Here's a simple script to use when calling sellers: You: "Hey [Seller's Name], I'm [Your Name]. I was calling about your property at [Property Address]. Are you open to an offer on the house?" If they say YES, move to Step 4: Collecting Information. If they say NO, thank them and move on—don't waste time convincing people. Pro Tip: Don't sound like a salesperson. Have a casual conversation and listen to their needs. Now that you have a seller on the phone, your job is to gather the right information to determine if the deal is worth pursuing. You don't need to be pushy—you're simply having a conversation and figuring out if you can help them. Here are the four key things you need to know: Ask: "What price are you looking to get for the property?" If they say, "Make me an offer," respond with: "I don't want to waste your time. What's a number that would make sense for you?" Your goal: Get the seller to name their price first. Ask: "Why are you looking to sell the property?" Look for signs of distress: Pre-foreclosure? Behind on taxes? Going through a divorce? Moving? Tired landlord? If the seller has no urgency, they may not be a good lead. Ask: "How soon are you looking to sell?" If they say ASAP, that's a strong sign of motivation. If they say "no rush", they may not be serious. Ask: "Can you tell me a little about the condition of the house?" If they say it needs work, ask about: Roof, foundation, plumbing, electrical, kitchen, and flooring. If the property is in bad shape, it could be a great wholesale deal. This is just a conversation—keep it simple and natural. Your goal is to gather information, not close a deal on the first call. Now that you have the seller's information, it's time to analyze the deal and figure out if it's worth pursuing. This is where a lot of beginners get stuck, but don't worry—I'll break it down simply. Wholesalers use a simple formula to determine whether a property is a good deal or a waste of time. A quick way to estimate what an investor will pay is the 70% Rule: Formula: ARV \times 70% - Repairs = Max Offer Price ARV (After Repair Value) - What the house will sell for after it's fixed up. Repairs - Estimated cost to fix the property. Example: ARV: \$200,000 Repairs: \$40,000 Max Offer: \$200,000 \times 70% - \$40,000 = \$100,000 Pro Tip: My favorite software for underwriting is Propelio If the seller isn't willing to go low enough for a cash offer, you can structure a creative finance deal instead. Key things to look for: Low interest rates (under 5%) Small upfront payment (entry fee under 10%) Creative finance allows you to wholesale without using the 70% rule because investors care more about terms than price. ✓ If the numbers work, move on to Step 6: Write the Contract. ✓ If the numbers don't work, negotiate with the seller or move on to the next lead. Once you've determined that a deal makes sense, it's time to lock it up under contract. This step might feel intimidating at first, but it's actually one of the easiest parts of wholesaling once you understand the basics. You'll need a Purchase and Sale Agreement (PSA)—this is the contract between you (the wholesaler) and the seller. Two contract options: Simple 2-4 Page Wholesale Agreement - Quick and easy to use. You can find free templates online. Realtor State-Approved Contracts - More complex but bulletproof (highly recommended). Pro Tip: If you're new, partner with someone experienced to review your contract the first few times. Purchase Price - The amount you agreed to pay the seller. Earnest Money Deposit (EMD) - Typically \$100-\$1,000 to show good faith. Inspection Period (Option Period) - A clause that lets you cancel the contract if needed within a certain amount of days. "And/Or Assigns" Clause - This allows you to assign the contract to another buyer. Closing Date - Usually 30 days or sooner (investors love quick closes). Best methods: In-person - Meet the seller and have them sign a printed contract. Electronically - Use DocuSign, Doloop, or HelloSign to get it signed fast. Once the contract is signed, you're officially in business! Now, you need to send the contract to a title or escrow company to start the closing process Now that you have a signed contract, you need to open escrow with a title company and submit your earnest money deposit (EMD). This step makes the deal official and ensures a smooth closing. A title company (or escrow company) is a neutral third party that: Verifies the property's title is clear (no hidden liens or ownership disputes). Holds the buyer's and seller's funds securely. Facilitates the transaction and ensures legal compliance. Pro Tip: Choose an investor-friendly title company that understands wholesaling. Some title companies don't like working with wholesalers, so ask around in wholesaling groups for recommendations. 1] Email the Title Company - Send them the signed contract and let them know you're opening escrow.2] Submit Your EMD - Wire your earnest money deposit or drop off a check (typically \$100-\$1,000).3] Stay in Contact - The title company will start the title search and let you know if any issues arise. [] Need Help with EMD? If you don't have enough cash, some wholesalers (including myself) will lend you EMD for free on good deals! Now that your deal is under contract and escrow is open, it's time to sell your contract to an investor—this process is called disposition (dispo for short). Your goal: Find a cash buyer (usually a real estate investor) who will take over your contract and pay you an assignment fee. There are two main ways to find investors quickly: Partner with an established dispo company or investor-friendly brokerage that already has a strong buyer network. They do the heavy lifting—marketing the deal, negotiating, and closing. You split the fee, but you get paid faster. Best for: Beginners who want fast results and don't have a big buyer list yet. Pro Tip: If you focus on finding good deals, dispo companies will happily sell them for you. Post your deal on Facebook Groups (e.g., "We Buy Houses [Your City]"), Craigslist, and Investor Lift. Call investors use a software like Xleads and their Pro or Xplan to find top flippers in your area. Go to real estate meetups & REIA meetings to network with active investors. Best for: Wholesalers who want full control & bigger profits but are willing to do more work. Pro Tip: If you want to learn more about Xleads, see my full review here. Now that you've found a cash buyer, it's time to officially assign your contract and secure your profit. This step locks in the deal and ensures the buyer is committed. The Assignment of Contract transfers your rights in the purchase agreement to the end buyer. This is what allows you to wholesale without actually buying the property. Key details in the Assignment Agreement: The property address The original contract details The buyer's name and info Your assignment fee (your profit) A "non-refundable" clause (so the buyer can't back out) Pro Tip: Use a simple one-page Assignment of Contract (plenty of free templates online), or ask your title company for one. To lock in the buyer, require a non-refundable earnest money deposit (EMD)—typically \$5,000 to \$10,000 or more. Where does the EMD go? The buyer wires the EMD to the title or escrow company (not to you directly). This ensures they are fully committed and won't back out last minute. Pro Tip: If the buyer refuses to put down non-refundable EMD, find another buyer—serious investors have no problem with this. This is the best part—closing the deal and getting paid! Once the buyer is locked in and escrow is handling everything, you just wait for the closing date and collect your assignment fee. [] The Title Company Finalizes Everything They complete the title search and ensure a clean title. They prepare all the legal documents for the seller and buyer to sign. 2] The Buyer Wires the Purchase Funds The buyer sends the full purchase amount to the title company. The title company handles all payments (including your assignment fee). 3] You Get Paid! [] The title company wires your assignment fee directly to your bank account. You officially close the deal and make a profit—without ever owning the property! Pro Tip: Closing timelines vary: Cash deals close in 5-14 days. Creative finance deals may take 14+ days. Your first deal is the hardest, but after that, it's just repeating the process. Keep finding motivated sellers, locking up deals, and building your buyer list. Over time, you'll scale up and start closing deals every month—or even every week. Wholesaling real estate changed my life—it gave me financial freedom and is now funding my journey to owning 1,000 rental units. If you're serious about making money in real estate, follow these 10 steps, take action, and start wholesaling today!