To get rich in real estate, you have to understand 1 simple reality

If you jumped into real estate to get rich, you might have picked the wrong profession.

At least, that’s what salary pollsters will tell you. Most salary surveys will tell you that the average salary for a real estate agent in the U.S. is just $39,800 a year.

That’s the average — so many agents aren’t even making that much.

But there are real estate agents who do get rich. The big question is: How do they do it?

To get rich in real estate, you have to understand one simple reality.

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To make $39,800, you can sell:

- 20 homes with a $2,000 commission
- 10 homes with a $4,000 commission
- 4 homes with a $10,000 commission

- 2 homes with a $20,000 commission

What most real estate agents don't realize is that it takes a lot more work to sell those 20 cheaper homes than it does those two expensive homes.

In fact, if you could sell just two luxury homes a month, you could make that $39,800 every month. That's nearly a half-million dollars a year.

So why don't more real estate agents go after the more expensive properties?

The reason is simple. In my experience, the No. 1 reason real estate agents don't try to work in the luxury market is fear.

Most real estate agents sell homes in areas where they're most comfortable. If you're comfortable selling $200,000 homes, then those are the customers that you will find easiest to attract.

Because agents are not used to living in, visiting or selling expensive homes — and working with wealthy people — there's a fear of the unknown. But is this fear is grounded in reality?

An article in New York Magazine recapped a noteworthy scientific paper that found wealthy people are not empathetic; they're insensitive, and they disregard other people. They have a tendency to cheat, and they're even more likely to be jerks while driving.

Who would want to work with the wealthy?

Well, you should, if you want to get rich in real estate. There's no doubt that people with money can be more exacting. They're careful how they spend their money — which in many cases, is how they got rich in the first place.

They're spending a lot of money on this home, so they should get what they're paying for, and they can be short with their words because their time is valuable.

But, frankly, I don't agree with the New York Magazine or the research behind its article. I've found that most wealthy people are great folks.

Yes, they have their quirks, just like everyone else.

The rich like to work with people who conduct themselves with class, competence and confidence. If you don't have these, you might have a reason for your fear — but all of this is fixable with coaching.

If you're interested in selling luxury real estate, there are a few things you can do today to get

started.

1. Make sure people know that you broker luxury real estate.

If people don’t know you handle large accounts, they won’t hire you for the job.

2. Market yourself to the luxury market.

Marketing can include sponsoring or attending targeted events. For instance, host a cocktail reception showcasing a flatware collection. One agency did this and generated several sales more than $5 million.

3. You have to overcome your fear.

This comes with training and coaching. These are just a few of the many secrets I use to sell luxury real estate.

Remember, though selling one $300,000 home is easier than selling one $3 million home, selling one $3 million home is much easier than selling 10 $300,000 homes.

In fact, some luxury home deals are not nearly as hard as you might imagine. I’ve sold some luxury homes in only a few days.

Just don’t let the fear of working with people who are wealthy and smart (and kinder than you might imagine), keep you from getting rich in real estate.

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