

## TOP TIPS

### IMPORTANCE OF FLIPPERS PRICING AT MARKET VALUE

**Pricing** - The listing price of a finished flip must strike a balance between the flippers need to maximize profits and the buyers need to get a fair deal.

**Market Value** - The market value of a property is determined in exactly the same way as any other commodity (*Supply / Demand / Market*). Most buyers have a good overview of the market and will compare properties with competition.

**Timing** - When a property is first listed, it generates an elevated level of interest from prospective buyers, which reduces dramatically over time.

**Positioning** - If the asking price moves above market value, it will attract a smaller percentage of prospective buyers. Reducing the chances of a sale. Conversely if the asking price is at or near market value, you attract a larger pool of potential buyers.

**Fast Start** - Put your best foot forward immediately. Establish a competitive asking price from day one. Put and keep the home in top showing condition,

**Price Reductions** - Overpricing with the intent to reduce later is a strategy that can backfire. A stale property being reduced in price, is a red flag to potential buyers.

**Holding Cost** - The longer a finished flip sits on the market, the greater the risk of failure. It also increases the holding cost for your business. (*Taxes / Insurance / Utilities*)

*Finally, ask for multiple third-party opinions on the asking price. Consult with at least two brokers / agents in the area. This can help reduce the emotion of your decision.*

