



PROPERTY TO
PROFIT\$

INTRODUCTION PROPERTY TO PROFITS EDUCATION

Purchase Price: \$75,000

Rehab/holding: \$45,000

Sold: \$170,000

Days on Market: 18



Profits: Over **\$36,000.00**

1406 CATALPA, BERKLEY

Purchase Price: \$50,000

Rehab/holding: \$32,000

Sold: \$125,000

Days on Market: 14

Profits: Over **\$30,000.00**



18525 MILBURN, LIVONIA

Purchase Price: \$58,000

Rehab/holding: \$32,000

Sold: \$119,000

Days on Market: 11



Profits: Over **\$22,000.00**

9915 MAYFIELD, LIVONIA

Purchase Price: \$60,000

Rehab/holding: \$40,000

Sold: \$135,000

Days on Market: 16



Profits: Over **\$20,000.00**

11327 BROOKFIELD, LIVONIA

FIX AND FLIP MODEL

- Purchase single family homes well below current market value
- Completely remodel the home above the market standard
- Sell the home on the retail market
- Pay off lenders
- Enjoy the profits
- Repeat the process

WHERE TO PURCHASE

- Estate home/Probate (legal news)
- Tax Sale
- Bank Auctions
(hudsonandmarshall.com)
(auction.com)
(gohoming.com)
- For Sale by Owner
- Wholesalers
- County Sheriff Sale
- MLS

MLS

- Multiple Listing Service is only available for realtors.
- There are listing and selling agents who use the MLS.
- Listing agent will list a property on the MLS and offers to split his typical commission of 6% with the buyers agent who will bring the buyer.



HIRING AN AGENT

- Use a realtor that specializes in working with investors and understands your buying formula.
- Provide Current proof of funds and a photo copy of a signed check.
- Power of attorney
- Be pro-active and accountable
- Let you Realtor also list your home.

FIX AND FLIP FORMULA

- $ARV = \text{After Repair Value}$
- $(ARV \times .65) - \text{Repairs} = \text{purchase Price}$

Ex: $ARV = \$115,000 \times .65 = \$74,750$

$\$74,750 - \$30,000 = \$44,750$

Purchase Price = \$44,750

Most importantly make the deal work for you!

FUNDING

- Personal money
- Credit Cards
- Private Investors/ Equity Partner
- Hard money loans
- Private Money Presentation
- Get familiar with the SEC

HOW TO ESTIMATE

- Itemize break down of repairs
- Things to check for Hiring a contractor
- General contractor Vs. Sub-contractors
- Keep your relationship professional

SELLING THE HOME

- Hire a good agent
- Expect to pay 6%
- Price your home correctly
- Have an expectation of your agent