



## **New Investors: House Flipping 101**

House flipping may be one of the most tried and trusted ways to make profits in real estate, especially in Texas. It involves buying a property, then selling the right to another party (after making upgrades and updates to the property.)

Do not believe everything you hear about house flipping. It is possible to begin investing in the house flipping business without any down payment. It can be done through loan programs, depending on credit.

New investors can begin their initial steps by contacting the Joa Realty team. We will assess your needs and goals for both the near and distant future. We may suggest selecting a house that requires some cosmetic modifications to bring back its lost charm. It is better to buy houses that can be renovated easily without heavy expense. You can update the home lighting, carpeting, and fixtures to increase appeal. Try to avoid houses that cannot be marketed without any major structural repairs.

House flipping calls for painstakingly thorough research. Joa Realty will set up exclusive client gateways that provide property information daily, based on area, price, square foot, and age of the home. It helps to search for older homes that have been on the market for a long period of time. In most of these cases, the owners are eager to sell and may be more motivated. This allows increased negotiating power and could possibly produce a better deal.

It is very important to set a budget well in advance and adhere to it while renovating and remodeling the property. The core motive behind flipping a home should be to earn a profit. Generally, people choose the most expensive of everything while remodeling homes. Quality is considered a high selling point, but be wary of over decorating.

Ask the Joa Realty team about the latest changes that HUD has made regarding to lending regulations for Federal Housing Administration (FHA) financing. In order to lower down the house-flipping concept, houses sold within 90 days of purchase are not considered as qualified for FHA financing. Meaning, houses that sell approximately twice as much as the original purchase price within a period of 91 to 180 days after the last sale, need certain additional valuation data.