

Opinions of three house flippers who've done multiple flips and make their whole living or part of their living from this.

Why aren't they flipping in the western part of the county:

- 1) The housing stock is a riskier investment because the return isn't high enough. It would require a lot of volume which is time consuming to the flipper.
- 2) Big problem with too much investment is that even if you have a buyer who is willing to purchase at the higher, renovated price, the appraisal comparables won't be high enough and the appraisal won't come back where the bank would need it. Typical first time buyer doesn't have more cash to put down, so the seller has to drop their price to make the deal work. And since most millennials are first time homebuyers and go FHA this becomes even more of an issue. FHA appraisals and rules are even tougher to meet. More time and more money out the window.

Other ideas:

- 1) What about incentives to the private sector flippers to invest in these properties? Instead of using the money on one project at \$300k, there could have been 10 loans @ \$30k each at low or no interest made to the flipper to put into the project. So flipper buys the house and applies for the loan to cover costs like materials. When the house sells, the flipper makes the money for their time and effort and the loan is repaid to be used on the next project. With several houses getting improved in designated areas, the values start rising quicker so the comps are rising quicker for the appraisals. This way, the same \$300,000 is utilized to improve whole neighborhoods over and over again. So what the communities get is a better housing stock and more attraction to move there. After all, isn't this Better Flip project supposed to incentivize flippers to come there? It's public money leveraged against private for a better outcome for both. This actual Better Flip project will actually scare them away unfortunately with that huge pricetag.
- 2) How about inviting some flippers to get their ideas and hear what it would take to get them to do more in the western part of the county? Did the commissioners or Port Authority ever do this?

Funny observation:

- 2) Port Director says he's doing his best Bob Vila impersonation. Well we doubt millennials know who Bob Vila even is.
- 3) Curious what \$300k went towards. Have demolished and built brand new homes on sites for way less than that pricetag. Were any comparable quotes obtained for work to make sure it was reasonable pricing?