

# Flip Houses

The Simply Do It Method



# Completed Flips



# 100th Cir N, Pinellas Park FL 33782 Tampa

4 / 2 / 1400 / 1972

Listed for		\$76,500
Offer Price		\$75,000
Purchase Price		\$75,000
Closing Costs		\$3,978
Finder's Fee		\$2,500
Mortgage Costs		\$0
Renovation & Holding		\$41,500
<b>ALL-IN (TOTAL INVESTMENT)</b>		<b>\$122,978</b>
Selling Price		\$153,000
Sales Comm.	4.5%	\$6,885
Estimated Sales Expenses	1%	\$1,530
<b>PROFIT</b>		<b>\$21,607</b>
ROI		18%
Purchase Date		2/23/15
Sale Date		6/26/15



Total Earnings	Amount	ROI	Per Month
Investor	\$14,477	11.77%	\$3,531





# Pink Guara Ct Trinity FL

(Tampa)





# Pink Guara Ct Trinity FL (Tampa)

		PLAN	ACTUAL
Conventional mortgage ok?		no	no
Listed for		\$169,000	\$169,000
Purchase Price		\$159,000	\$159,000
Closing Costs		\$1,500	\$2,489
Finder's Fee		\$2,500	\$2,500
Transaction Mang.		\$2,500	\$2,500
Financing Costs		\$11,216	\$482
Estimated Renovation & Holding		\$45,250	\$42,750
Est. All-in (total investment)		\$221,966	\$209,721
Projected Selling Price		\$265,000	\$257,000
Purchase Date		8/5/2015	8/5/2015
Selling Date		2/1/2016	12/31/2015
Sales Comm	4.5%	\$11,925	\$11,565
Estimated Sales Expenses	1%	\$2,650	\$3,647
Projected Profit		\$28,459	\$32,067
Project ROI		13%	15%
Duration (months)		6	5
Profit Sharing		\$28,459	\$32,067
Investor	67%	\$19,068	\$21,485
Simply Do It	33%	\$9,392	\$10,582



# Why Flip

- Short term
- Short term engine that helps fuel long term investing
- Requires no experience or time using ***Simply Do It***
- Can be done remotely





# Why Do We Offer Flips To You (and not take all the flips for ourselves)

- We want to offer investors a short term investing vehicle to generate short-term cash.
- We benefit from the flip's success - profit sharing.
- In most projects, we invest our funds alongside yours.
- Unfortunately, we cannot do all the projects by ourselves as much as we would like to.
- On average as an equity position, you will make 9.5% ROI in 6 months - NO GUARANTEES!



# HERE'S HOW THE PROCESS WORKS

## WE DO THE HEAVY LIFTING

1. Our local team on the ground scouts and places offers on flip-able houses on a weekly basis.
2. Once we get a house under contract, we send our general contractor to do a full inspection, scope of work, and put together the renovation budget.
3. Using the ARV (after repair value) figure and budget, we re-evaluate the project.
4. If all look good - IT'S A GO!
5. We let you know about the flip.
6. Typically, we fund the project with 1-3 investors (from our network).
7. We complete the purchase of the house.
8. Renovation starts.
9. We produce bi-monthly updates for you.
10. Renovation completes - time to list the house.
11. Show and wait for a buyer.
12. Negotiate and close-sell the house.
13. Calculate flip profit and distribute proceeds.



# What Is Your Involvement

- Fund the project as an owner-investor (equity position) or as a lender (like the bank - debt position)
- Be more informed and involved on major decisions
- Receive routine updates
- Wait for sale
- Receive proceeds



# Who's The Local Team

- Local team is our eyes, legs, and everything on the ground.
- They are finding the projects, analyzing and evaluating them, monitoring the construction/subs, and oversees the project all the way to a sale.



# Experience

The 2015 Simply Do It Flip Report

[SimplyDolt.net/flip-report](http://SimplyDolt.net/flip-report)



# Typical Flip

- Purchase price: \$150,000
- Rehab: \$30,000
- Overhead: \$8500
- Selling price: \$230,000
- Net profit to investor\*: \$15,000
- ROI: 9% (annualized): 23%

\* After profit sharing



# ID & EVALUATE

- Trust name
- Proof of Funds (POF)
- Find properties
- Submit offers



# Offer Accepted

1. Visit property
2. Spend several hours
3. Build scope of work
4. Prepare itemized budget and timeline
5. Re-evaluate:
  1. Proceed with deal
  2. Negotiate deal
  3. Kill the deal





# Analyzing Flip Property

## 3 Scenarios Option

Microsoft Excel - Simply Do It Flip Analysis Tool.xlsx																
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	<b>Address</b>								<b>SPECIFICATIONS</b>		<b>Before</b>	<b>After</b>				
2	617 Success St. New York, NY								<b>Beds</b>	3	4					
3									<b>Bath</b>	2	2.5					
4									<b>Garage</b>	1	1					
5	<b>Listing Link:</b>								<b>Year</b>	1955	1955					
6	<b>COMPs Link:</b>								<b>Sq Ft</b>	1855	2155					
7																
8			<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>											
9	<b>Purchase date</b>		9/15/2015	9/15/2015	9/15/2015	<div style="border: 1px solid black; padding: 5px;"> <p align="center"><b>NOTES</b></p> </div>										
10	<b>Listed for</b>		\$139,000	\$139,000	\$139,000											
11	<b>Purchase price</b>		\$97,500	\$100,000	\$95,000											
12	<b>Closing costs</b>		\$1,500	\$1,500	\$1,500											
13	<b>Estimated Renovation &amp; Holding</b>		\$46,500	\$40,000	\$35,000											
14	<b>Est. All-in</b>		\$145,500	\$141,500	\$131,500											
15																
16	<b>Selling date</b>		3/13/2016	3/13/2016	3/13/2016											
17	<b>Target selling price</b>		\$170,000	\$175,000	\$175,000											
18	<b>Sales comm</b>	6%	\$10,200	\$10,500	\$10,500											
19	<b>Sales expenses</b>	1.50%	\$2,550	\$2,625	\$2,625											
20	<b>Projected Profit</b>		<b>\$11,750</b>	<b>\$20,375</b>	<b>\$30,375</b>											
21	<b>Project ROI</b>		8.1%	14.4%	23.1%											
22																
23	<b>Investor</b>	100%	\$11,750	\$20,375	\$30,375											
24	<b>Duration (months)</b>		6	6	6											
25	<b>Annualized ROI</b>		<b>16.2%</b>	<b>28.8%</b>	<b>46.2%</b>											
26																
27	<b>Financing Scenarios</b>	<b>Scenario 1</b>			<b>Scenario 2</b>			<b>Scenario 3</b>								
28		<b>Cash</b>	<b>Conv. Fin</b>	<b>Private Fin.</b>	<b>Cash</b>	<b>Conv. Fin</b>	<b>Private Fin.</b>	<b>Cash</b>	<b>Conv. Fin</b>	<b>Private Fin.</b>						
29	<b>Downpayment</b>	100%	25%	30%	100%	25%	30%	100%	25%	30%						
30	<b>Invested Amount</b>	\$145,500	\$36,375	\$43,650.00	\$141,500	\$35,375	\$42,450.00	\$131,500	\$32,875	\$39,450.00						
31	<b>Loan amount</b>	0	\$105,125	\$97,850	0	\$106,125	\$99,050	0	\$98,625	\$92,050						
32	<b>Rate</b>	0	5%	9%	0	5%	9%	0	5%	9%						
33	<b>Points/Fee (%)</b>	0	1%	2%	0	1%	2%	0	1%	2%						
34	<b>Points/Fee (\$)</b>	0	\$1,051	\$873	0	\$1,061	\$849	0	\$986	\$789						
35	<b>Duration (months)</b>	6	6	6	6	6	6	6	6	6						
36	<b>P&amp;I</b>	0	\$2,628	\$1,964	0	\$2,653	\$1,910	0	\$2,466	\$1,775						
37	<b>Investor's NET profit</b>	\$11,750	\$8,071	\$17,538	\$20,375	\$20,375	\$20,375	\$30,375	\$30,375	\$30,375						
38	<b>All-in</b>	\$145,500	\$40,054	\$46,487	\$141,500	\$39,089	\$45,209	\$131,500	\$36,327	\$42,014						
39	<b>ROI</b>	<b>8.1%</b>	<b>20.1%</b>	<b>37.7%</b>	<b>14.4%</b>	<b>52.1%</b>	<b>45.1%</b>	<b>23.1%</b>	<b>83.6%</b>	<b>72.3%</b>						
40	<b>Annualized ROI</b>	<b>16.2%</b>	<b>40.3%</b>	<b>75.5%</b>	<b>28.8%</b>	<b>104.2%</b>	<b>90.1%</b>	<b>46.2%</b>	<b>167.2%</b>	<b>144.6%</b>						
41																



**SimplyDolt**

Guided Real Estate Investing

*No experience? No problem.*

Provided by  
Simply Do It Real Estate Investment  
Network

SimplyDolt.net



# Investor Participation

1. Flip is a “GO”
2. 3-tier emails to Simply Do It investors:
  1. Tier 1: Ready investor
  2. Tier 2: Expressed interest
  3. Tier 3: General database
3. Flip Q&A
4. Docs signing
5. Funding Account
6. Getting ready for closing



# Finding & Funding Options

1. You buy it solo (by yourself) cash or private financing
2. Conventional financing is NOT an option as a purchase method
3. We partner up
4. We partner up w/ a 3rd investor
5. We partner and use a private lender
6. You participate in the deal as a private lender



# Purchase

- Earnest money (submitted)
- Sign docs – Simply Do It's and Trust
- Fund account (~5 days before closing)
- Wire purchase funds
- Close-purchase

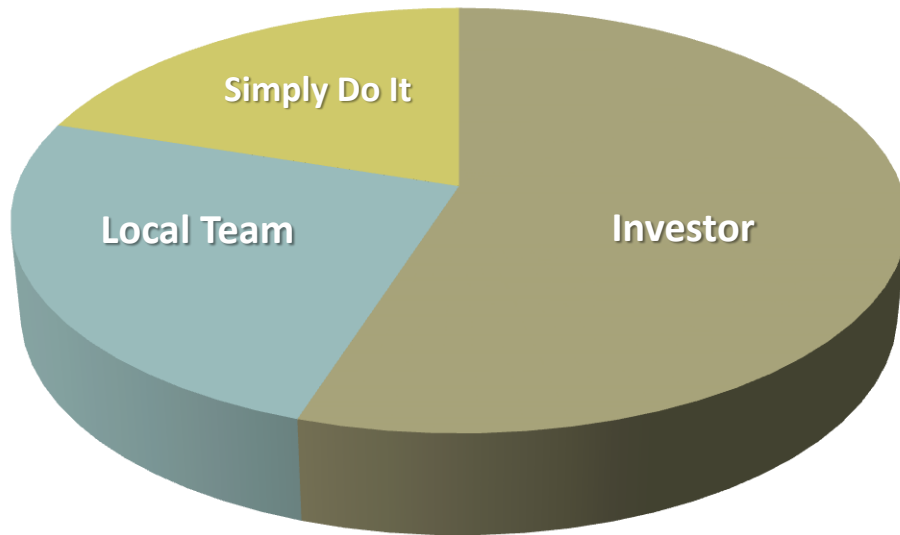


# Using a Trust

- **Disclaimer: we are not attorneys and are not Trust or entities experts. We found that trusts provide a good structure to accomplish what we are trying to achieve for a flip.**
- Trusts have: trustee, beneficiaries, and director.
- Trust documents include trust and beneficiary agreement, appointment of trustee, and director.
- Investor in a flip is a beneficiary of the trust.
- Each beneficiary has interests in the trust based on the actual and final financial contribution.
- Simply Do It method of operating is ONE TRUST OWNS ONE PROPERTY AND HAS ITS OWN BANK ACCOUT.



# Flips Profit-share Model



## Profit-share model means:

1. Incentive to control spending
2. See transaction all the way to the end – a sale
3. Must have profit to get compensated

% of profit sharing varies between the different markets and teams



# What's Next

1. Review any of our ongoing flips.
2. Let us know if you have more questions about any of them.
3. Let us know if you would like to be involved in a specific flip.
4. Email or call us for more details as we are sure you have more questions.



# FAQ (part 1)

**Q: Is there a guarantee?**

A: We don't offer a guarantee. There is risk of no profit and even a loss. We try to mitigate against risk as much as we can.

**Q: Can I invest using convectional financing?**

A: Most properties that we buy either come from banks (REO), which means cash-only. Or, the properties are in a condition that will not pass an appraisal. Or, we have to move rather quickly in order to get the deal. In most projects, conventional financing would not work because of those settings. From time to time, there may be the possibility or opportunity to use conventional financing.

**Q: If I only have part of the required funds, can I partner with another investor?**

A: Absolutely. Many times, we put several investors with the same interest into a deal.

**Q: Can you help find another investor to partner with on a flip?**

A: If you don't have an investor-friend you would like to invest with, we will most likely have ones in our Network. There's no reason for you to go and search for an investor friend as we have those on our end and will put all of it together into a deal.

**Q: Does Simply Do It invest in these flips too?**

A: In the past, most of the flips that we offered to our investors we have invested in alongside you, using our own funds.

**Q: Is there a minimum amount required to participate in Simply Do It's flips?**

A: Over the years, we have found that a minimum of \$50,000 is going to be needed in order to participate in flip.





# FAQ (part 2)

**Q: Is there a list of flips we can chose from at any time?**

A: At any given time, we don't have a list of available flips. We evaluate and make offers in an ongoing basis, but many flips don't make the cut. Only the ones that we do approve, we offer you to invest in. Since this is a very picky process, we have a limited number of properties at any given time.

**Q: Why do I need to sign your docs, what does it mean, and does it mean I need to pay?**

A: We ask that you sign two separate sets of docs. The first set is the Simply Do It documents, which includes a release of liability and an acknowledgment to the fee structure. By signing the Simply Do It documents, you are not obligated to make any payment or commit to a specific project. It's just letting us know you are ready to review a property next time we have one available. The second set you will need to sign are the trust documents when we actually have the relevant flip for you to participate in.

**Q: Can I have my own trust and not share it with anyone else?**

A: In case you are interested in setting up your own trust or taking over one of the trusts that we have created and have no one else involved with you on the trust, that is not going to be any problem.

**Q: What's the difference between an investor-owner and an investor-lender?**

A: There are two ways you can participate as an investor in a flip. The first way is as an equity position meaning your funds are going towards the ownership of the property. The second way is actually to take a lender position. That means you are acting as the bank and collecting a fixed agreed-upon interest. Taking a lender position means that you will not have any of the up or downside in the deal. If you have more questions about being an investor-lender in the deal, let us know.

# GET STARTED WITH INVESTING

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*No experience? No problem.*

# Good St Boise, ID - Before



# Good St Boise, ID - After

