



Hubzu Identifies Top 25 Markets for REO Fix-and-Flip Properties

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Virginia Beach, Richmond and Cleveland top the list

LUXEMBOURG, Feb. 20, 2020 (GLOBE NEWSWIRE) -- [Hubzu](#), a leading online real estate marketing platform, today released data uncovering the top 25 U.S. metropolitan statistical areas (MSAs) for Real Estate Owned (REO) fix-and-flip properties that were bought and sold from October 2018 to October 2019. Virginia Beach, VA, Richmond, VA and Cleveland, OH came out on top for investors pursuing REO fix-and-flip properties based on a number of factors including the number of REO flip properties in the market, profit after the repairs and average number of days the listing is on the market after repairs are complete.

The [Hubzu](#)® data uncovered that the top REO fix-and-flip markets are dominated by areas on the East Coast, with half of the markets located in that area. Meanwhile, the West Coast offers fewer opportunities for fix-and-flip investors with only two markets making the list – Riverside, CA and Tucson, AZ. Additional insights for the top 25 markets, include:

- On average, investors in the top 25 markets generated an average profit¹ of \$34,490 after estimated repairs. Washington, DC generated the highest average profit of \$51,806, whereas investors in Memphis generated the lowest average profit of \$24,892.
- The top 25 MSAs had an average of 79 days listed on the market. Memphis had the smallest average number of days (65) listed on the market, while Buffalo had the largest number of days (121) listed on the market.
- Virginia Beach had the highest percentage of REO flip properties at 50.50% and Memphis had the least at 14.83%.
- Tampa had the highest percentage of flips compared to total housing units (.55%) and Kansas City had the lowest (.10%).

“Investing in fix-and-flip markets can offer interesting cash flow opportunities for investors, particularly in hot real estate markets like those on the East Coast,” said Travis Britsch, Vice President, Auction at [Hubzu](#). “Buying any kind of investment property has the potential to be a lucrative opportunity, but it’s important that savvy investors leverage the right technology and resources to find the right fix-and-flip property at a fair price so they can make the most on their investment.”

Top 25 Markets for REO Fix-and-Flip Properties

Rank	MSA	Percentage of REO flips to total flips	Percentage of profit after estimated repairs to average sale price in the MSA (Average profit after repairs)	Percentage of total flips to total housing units	Average number of days on market post renovation
1	Virginia Beach-Norfolk-Newport News, VA-NC	50.50%	15.54% (+ \$40,936)	0.44%	99
2	Richmond, VA	30.49%	14.22% (+ \$39,095)	0.31%	80
3	Cleveland-Elyria, OH	21.63%	14.87% (+ \$25,634)	0.31%	77
4	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	36.00%	13.82% (+ \$36,686)	0.29%	82
5	Baltimore-Columbia-Towson, MD	36.41%	13.34% (+ \$42,029)	0.31%	77
6	Cincinnati, OH-KY-IN	19.99%	14.06% (+ \$28,688)	0.32%	69
7	Rochester, NY	19.82%	15.98% (+ \$27,328)	0.21%	79

8	Tucson, AZ	18.20%	13.99% (+\$35,437)	0.45%	64
9	Pittsburgh, PA	57.89%	13.75% (+\$27,282)	0.14%	82
10	Birmingham-Hoover, AL	28.27%	12.33% (+\$27,109)	0.36%	71
11	Jacksonville, FL	25.62%	12.54% (+\$32,576)	0.47%	90
12	Chicago-Naperville-Elgin, IL-IN-WI	37.47%	13.25% (+\$39,415)	0.18%	75
13	Oklahoma City, OK	17.04%	14.53% (+\$28,039)	0.30%	77
14	Louisville/Jefferson County, KY-IN	19.26%	14.02% (+\$30,481)	0.24%	66
15	Hartford-West Hartford-East Hartford, CT	18.90%	16.16% (+\$40,411)	0.17%	88
16	St. Louis, MO-IL	27.08%	13.35% (+\$29,275)	0.19%	70
17	Milwaukee- Waukesha-West Allis, WI	17.36%	15.17% (+\$30,153)	0.22%	93
18	Tampa-St. Petersburg- Clearwater, FL	16.93%	13.31% (+\$34,307)	0.56%	78
19	Buffalo-Cheektowaga- Niagara Falls, NY	18.56%	15.30% (+\$26,554)	0.18%	121
20	Kansas City, MO-KS	23.83%	13.94% (+\$35,280)	0.10%	69
21	Miami-Fort Lauderdale-West Palm Beach, FL	20.55%	12.14% (+\$44,767)	0.33%	86
22	Washington-Arlington- Alexandria, DC-VA-MD-WV	48.46%	10.81% (+\$51,806)	0.25%	67
23	Orlando-Kissimmee- Sanford, FL	19.74%	11.60% (+\$32,655)	0.43%	79
24	Memphis, TN-MS-AR	14.83%	12.71% (+\$24,892)	0.55%	65
25	Riverside-San Bernardino-Ontario, CA	15.73%	12.97% (+\$51,423)	0.31%	77

Methodology:

[Hubzu](#) identified and analyzed MSAs with over one million people. Data was retrieved from October 1, 2018 to October 1, 2019. To identify and rank the top 25 best markets for REO buy, renovate and sell, Hubzu weighted four metrics and summed them into a score. The data was sourced from public property data. The metrics and their weights in the total score were as follows:

- Percentage of total REO flips to total flips: 30%
- Percentage of profit after the estimated repairs to average sale price in the MSA: 30%
- Percentage of total flips to total housing units in the MSA: 20%
- Average listing days on market: 20%

About Hubzu®

Hubzu is a leading online real estate marketing platform. Since 2009, Hubzu has facilitated the sale of over 221,000 homes in the United States and Puerto Rico via its transparent online marketing and auction process. Licensed agents and brokers use the Hubzu platform to market and facilitate the auction of properties for their clients. Home buyers benefit from Hubzu's search tools, automated and transparent bidding process, and agent referral program to find and purchase new homes. Hubzu is part of the Altisource® Portfolio Solutions S.A. family of businesses. Additional information is available at [Hubzu.com](#), [Facebook](#) and [LinkedIn](#).

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Altisource Portfolio Solutions S.A. (NASDAQ: ASPS) is an integrated service provider and marketplace for the real estate and mortgage industries. Combining operational excellence with a suite of innovative services and technologies, Altisource helps solve the demands of the ever-changing markets we serve. Additional information is available at altisource.com.

Source: Altisource Portfolio Solutions S.A.

¹ The average profit was calculated based on the difference between the sold price and purchase price, and assumes the average cost of repairs range between 25-35 percent of the sold price.

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Source: Altisource Portfolio Solutions S.A.