Fix & Flip Deal Checklist

50 must-verify items before you buy, rehab, and sell

FlipIQ

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1. PRE-OFFER DUE DILIGENCE	
■ Confirm list price vs. recent comps (sold in 90 days, same zip)	*Target ARV ± 10%*
■ Apply the 70% Rule: max offer = (ARV × 0.70) – rehab	*Starting bid ceiling*
■ Pull property history: days on market, prior sales, price drops	*Stale = motivated seller*
■ Check tax records for back taxes, liens, or special assessments	
■ Verify zoning allows intended use (flip vs. rental)	
■ Research flood zone / FEMA map status (insurance cost driver)	
■ Confirm HOA exists and get monthly dues + rental restrictions	
■ Drive the neighborhood at night and on a weekend	*Crime, noise, activity*

PRO TIP | Use FlipIQ's ARV Comp Calculator to anchor your offer before you negotiate.

2. PROPERTY INSPECTION	
■ Foundation: cracks, settling, water intrusion in basement/crawlspace	*Biggest cost risk*
■ Roof: age, missing shingles, flashing condition, gutters	*Budget $8–18K replacement*
■ HVAC: age, brand, last service date — test heat and A/C	*Over 15 yrs = replace*
■ Electrical: panel amperage (200A min), GFCI presence, knob-and-tube?	*Insurance issue if old*
■ Plumbing: water pressure, drain speed, supply pipe material (lead? polybutylene?)	
■ Windows: single-pane, broken seals, operation — count units	
■ Water heater age and capacity (40–50 gal min)	*Under 8 yrs = keep*
■ Mold / water damage staining — check ceilings, under sinks, bathroom walls	
■ Pest / termite evidence — look for frass, tunnels, soft wood	
■ Attic insulation level and ventilation — energy code compliance	

PRO TIP | Get a licensed inspector AND your contractor walk-through — they catch different things.

3. REHAB SCOPE & BUDGET	
■ Create itemized scope of work (SOW) before signing contracts	*Line-by-line, no ballparks*
■ Get 3 bids for work over $5,000 — use local, licensed contractors	
■ Verify contractor license, insurance, and references (call them)	
■ Add 10–15% contingency buffer to total rehab estimate	*Surprises always happen*
■ Identify all permit-required work (structural, electrical, plumbing, HVAC)	
■ Nail down materials budget separately from labor	*Prices fluctuate*
■ Set a draw schedule tied to milestones, not calendar dates	
■ Run total rehab through FlipIQ's Rehab Cost Estimator to sanity-check	

4. FINANCING & DEAL NUMBERS	
■ Confirm lender terms: rate, points, draw process, prepayment penalty	
■ Calculate total acquisition cost (purchase + closing costs + lender fees)	
■ Model holding costs month-by-month (interest, taxes, insurance, utilities)	*Avg 1–2% of ARV/mo*
■ Calculate selling costs (agent: 5–6%, closing: 1–2%, staging, concessions)	
■ Compute net profit and ROI — target 15%+ ROI or $25K+ profit minimum	
■ Stress-test: what if ARV comes in 10% lower? Still profitable?	*The real test*
■ Run full deal analysis in FlipIQ before finalizing offer	

PRO TIP | FlipIQ's sensitivity analysis shows your profit across a range of ARVs and rehab costs automatically.

5. LEGAL & TITLE	
■ Order a title search before closing — confirm clean title	
■ Purchase title insurance (owner's + lender's policy)	*Non-negotiable*

■ Review purchase agreement: contingencies, AS-IS clause, inspection period	
■ Confirm earnest money terms and what's refundable and when	
■ Set up correct entity for purchase (LLC strongly recommended)	*Liability protection*
■ Verify seller has authority to sell (probate? divorce? entity?)	
■ Check for any easements, encroachments, or right-of-way issues	

6. RENOVATION MANAGEMENT	
■ Post SOW and timeline at the property — everyone works from same doc	
■ Visit site at least 2–3× per week during active work phases	
■ Never pay 100% upfront — standard: 30/30/30/10 or milestone draws	
■ Track actual spend vs. budget weekly in a spreadsheet	
■ Pull all required permits before work starts — inspect on completion	
■ Stage for buyer psychology: neutral paint, clean lines, updated fixtures	
■ Professional photos after staging — before listing goes live	

7. EXIT & SELLING	
■ Re-run comps at listing time — market may have shifted	
■ List within 2 weeks of final punch list — holding costs burn daily	
■ Price at or slightly below top comp to generate multiple offers	
■ Review all offers with your agent — net proceeds, not just price	
■ Negotiate inspection findings strategically — credit vs. repair	
■ Track actual profit vs. FlipIQ projection — log for next deal	*How you get better*
■ Calculate your effective hourly rate: profit ÷ hours invested	*Is this worth your time?*

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