Analogy - Flippers and Bankers's Dilemma

Author : michaelbloomer

House flippers buy a house low, put money into it, and they sell it for a low price, a non-comparable present price for the neighborhood. This sale brings the neighborhood comps down . . .

Banks, if they were to sell aggressively the homes in foreclosure, would have to book, or realize, more losses on already non-profitable homes. So they'd rather not sell, not foreclose.

To view the complete and formatted article, click "READ MORE" now. . .

SUBSCRIBE VIA RSS