House flipping is on the rise despite high home prices, CoreLogic reports

As anyone who regularly watches *Flip or Flop* already knows, house flipping is on the rise, and a new report from property data developer CoreLogic confirms this.

An analysis of public records found that the ratio of flipped properties to sales reached 6.2 percent in the first quarter of 2018, the highest it's been since the first quarter of 2013 when home prices first started rebounding after the financial collapse. Directly after the crash in 2005, the ratio of flipped properties to sales climbed over 8 percent.

Flipping — defined in the report as the act of acquiring a home then selling it within 12 months — is a different business now than it was right after the crash, CoreLogic found.

"The first time it reached this level after the housing crash, home prices had just started to recover, and there were still a considerable number of distressed properties on the market," the report states. "However, the flipping dynamics have changed over time. The share of distressed properties sold has declined significantly, from 30 percent in January 2013 to 4.4 percent at the end of 2017."

Home prices in some areas of the country have already passed the peak high values they reached before the crash, and valuations are showing no sign of slowing down.

"High acquisition cost, tight inventory and rising flipping activities together point to possible speculation: investors are betting on continuous home price growth," the report said.

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