A SELLER'S GUIDE

Should you Buy or Sell First?

If you are considering looking for a new house, and are a current homeowner, then chances are you're wondering what your strategy should you proceed with: do you wait to find the perfect new home before you put your current home on the market, or do you sell first and then look around? You have a few options. Use the following as a guide to explore what might be the best move for you.



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Clear advice. Full-service support. A smarter way to sell & buy.

Every home and market is different. This guide is general information; your selling strategy should be tailored to your property and current market conditions.

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A practical checklist for a smoother home-selling experience

1. Sell First: Benefits of Selling Your Home Before Buying Your Next One

- ***Know Exactly How Much You Can Afford:** Once your current home is sold, you'll know exactly how much money you have available for your next purchase.
- **Set a Clear Budget:** Knowing your budget helps you narrow down your home search and focus only on properties within your price range.
- **Make Stronger Offers:** With your current home already sold, you can make firm offers without needing a condition to sell your existing property.
- **Better Negotiating Power:** Sellers generally prefer unconditional offers because they come with fewer uncertainties. This can make your offer more attractive compared to buyers who still need to sell their current home.
- **More Flexibility When Buying:** You can take your time exploring different properties, comparing options, and negotiating the best possible deal for you and your family.
- **Avoid the Stress of Two Transactions:** Selling first gives you a clearer financial picture and helps you plan your next purchase with more confidence.

Things to Consider Before Selling First

- **Temporary Housing:** If you haven't found your next home before your current property closes, you may need temporary accommodation.
- **Moving Twice:** You might have to move your belongings into storage and arrange another move once you find your new home.
- **Limited Time:** Depending on your closing date, you may feel pressured to find another property if you don't have temporary housing arrangements.

> **My Advice:** Before deciding to sell first, consider your family's needs, financial situation and temporary housing options. The goal is to make your next move as smooth and stress-free as possible. As your REALTOR®, I can help you plan the timing of both transactions and choose the strategy that works best for you.

2. Buy First: Benefits of Buying Your New Home Before Selling Your Current One

- **Don't Miss Out on Your Dream Home:** If you find a property you absolutely love or one that is unique and hard to find, buying first allows you to secure it before someone else does.
- **Take Advantage of Great Opportunities:** Sometimes a property comes on the market at an amazing price or has features that are difficult to find elsewhere. Buying first allows you to act quickly without waiting for your current home to sell.
- **Avoid the Pressure of Finding a New Home:** You won't have to rush into buying another property because your current home has already sold and your closing date is approaching.
- **Move at Your Own Pace:** Having your new home secured before selling gives you more flexibility to plan your move and prepare your current property for sale.

Things to Consider Before Buying First

- **Carrying Two Mortgages**: If your current home doesn't sell quickly, you may have to manage two mortgage payments, property taxes, utilities, insurance and other expenses at the same time.
- **Uncertainty About Your Selling Price**: A market evaluation can give you an estimated value, but it doesn't guarantee what your home will actually sell for.
- **Financial Pressure**: If your existing home takes longer to sell, carrying two properties could create unexpected financial stress.
- **Risk of Selling Below Market Value:** If you need to sell your current home quickly to manage your finances or match closing dates, you may feel pressured to accept a lower offer.
- **Additional Financial Planning:** Before purchasing, make sure you understand whether you can comfortably afford both properties for an extended period if necessary.

> **My Advice:** Buying first can be a great strategy if you have the financial flexibility to carry two properties temporarily. Before deciding, speak with your mortgage professional and understand your financial limits. As your REALTOR®, I can help you evaluate your home's realistic market value, develop a selling strategy and coordinate both transactions to minimize your financial risk.

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3. Buying with a Condition of Sale of Buyer's Home

This option allows you to make an offer on your desired property while making the purchase conditional on selling your current home within an agreed timeframe.

Benefits of This Option

- **Secure Your Next Home:** You can make an offer on a property you like without having to sell your current home first.
- **Financial Protection:** You are not obligated to complete the purchase if your existing home doesn't sell within the agreed timeframe, provided you properly exercise your contractual rights.
- **Time to Sell:** You get an opportunity to market your current property and find a buyer before committing to the purchase of your next home.
- **Less Financial Risk:** You can avoid being stuck carrying two mortgages if your current home doesn't sell, subject to the terms of your agreement.

Things to Consider Before Choosing This Option

- **Less Attractive to Sellers:** Most sellers prefer firm, unconditional offers. They may not take an offer with a Sale of Buyer's Home condition as seriously because there is uncertainty about whether the deal will actually go through.
- **Risk of Losing the Property:** The seller may receive another offer that is more attractive, potentially leaving you without the home you wanted.
- **Limited Time to Sell:** You will generally have an agreed timeframe to sell your existing home. If you cannot secure a buyer within that period, your purchase may fall apart.
- Sellers may be less willing to negotiate on price or other terms when your offer depends on selling another property.

> **My Advice:** This option can provide financial protection, but it may put you at a disadvantage in a competitive market. Many sellers prefer buyers who are already financially ready to proceed. Before making an offer, As your Real Estate Agent I will provide you with the current property evaluation for your property, so that you can understand how quickly it could sell and discussing the condition and timelines as well.

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