

Buy or Sell First

Which Comes First: Selling or Buying?

The answer to that age-old question depends on you and your individual situation. Evaluate each of your alternatives, taking into consideration the effect each scenario will have on your (1) finances, (2) negotiating position and (3) moving-day timeline.

Buying before selling

If you choose to buy a new home before you sell your current home, you may have to pay on two mortgages until your former home sells. A bridge loan can ease the strain of double mortgage payments; however, you generally must have sufficient equity in your current home to qualify.

Of course, you could make the purchase of your next home dependent upon the sale of your current home, and your Eliason Realty agent can write this contingency into your purchase agreement.

A strong housing market may mean that the seller will not be as likely to accept such an offer. The advantage of buying a home before you sell your current one is that you have more time to look for your new home – without the added pressure of moving.

Selling before buying

You may be in a stronger bargaining position for your new home if you put off serious home shopping until after you've accepted an offer on your current house. If you wait, you'll have a better idea of how much equity you can put into your next house and, more importantly, you won't have to make the purchase of that home contingent upon the sale of your old one.

Of course, there's the added pressure of needing to find a new home quickly. You may not be able to negotiate a lower purchase price if the seller knows you have time constraints.

In the end, only you can decide. Be sure to talk with your Eliason Realty agent. S/he's trained and experienced in helping you explore and narrow your options, as well as understand the "why and wherefore" of most home-related dilemmas, including buy first/sell first.



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