

Buy or Sell First? A Guide for Homeowners

If you currently own a home and are looking to buy a new one, you may be wondering: **Should I sell my current home first, or buy my next one before selling?** Both approaches have pros and cons, and the right choice depends on your financial situation, timing, and lifestyle. Here's a breakdown to help you decide.

Option 1: Sell First

Selling your current home before buying your next one has several advantages:

- **Know your budget:** Once your home sells, you'll know exactly how much money you have to work with. This makes it easier to narrow your search and make firm offers.
- **Stronger negotiating position:** Sellers take unconditional offers more seriously. With your home already sold, you can negotiate confidently and act quickly on a property you want.
- **More options and flexibility:** You can take your time to find the right home without pressure.

Considerations:

- If you don't find a new home before closing, you may need temporary housing.
- Plan ahead: Can you comfortably handle a transition period for your family?

Option 2: Buy First

Buying a new home before selling may make sense if a property is rare, priced competitively, or perfectly suited to your needs:

- **Seize opportunities:** You won't miss out on a home that comes on the market unexpectedly.
- **Lock in the home of your dreams:** Especially useful in competitive markets.

Considerations:

- You may need to finance two homes simultaneously, creating extra financial stress.
- Your current home's sale price is uncertain, so budget carefully.
- If your home doesn't sell quickly, you may need to reduce the asking price to align closing dates.

Option 3: Make a Conditional Offer

A conditional offer ties your purchase to the sale of your current home. This can serve as a compromise between buying first and selling first:

- Sellers keep their home on the market and may accept other offers while you try to sell yours.
- You gain some flexibility, but **conditional offers carry drawbacks:**
 - Sellers may take them less seriously and favor firm offers.
 - You may need to raise your offer later to secure the property.
 - There's no guarantee another buyer won't overtake your offer before your home sells.

Key Takeaways

- **Selling first** gives you certainty, negotiating power, and financial clarity—but may require temporary housing.
- **Buying first** allows you to act quickly on ideal properties—but comes with financial risk if your current home doesn't sell fast.
- **Conditional offers** are a middle ground—but often carry less weight in competitive markets.

Choosing the right strategy depends on **your financial situation, market conditions, and personal priorities**. Consult with your REALTOR® to evaluate your options and determine the best path for your move.

