



The banner features a blue background with a white house silhouette. On the left, there are two award logos: 'SALES ACHIEVEMENT AWARD 2006' and 'SERVICE SINCE 2003'. Below these are the logos for 'ROYAL LePAGE' and 'Team Realty' with the tagline 'Independently Owned and Operated, Brokerage'. The name 'Howard Marling' is written in a large, white, cursive font, with 'Broker' in a smaller blue font below it. The phone number '613 592 6400' is displayed in a large blue font. On the right, there is a portrait of Howard Marling, a man in a suit and tie, smiling. Below the portrait is the website 'www.Marling.ca'. At the bottom of the banner, the slogan 'Taking Real Estate Service To New Heights!' is written in white on a dark blue background.

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Buy First - or Sell First?

The following article appeared in the February 28 issue of the EMC community newspapers. President Heather Skuce is using the President's Pen column offered to the Board by EMC to provide information to the public about the real estate market and to showcase the benefits of working with a member.

Here's one of the greatest dilemmas in real estate for those who own a home, and want to sell it and buy a new one: do you sell the home you're living in first, and then go looking for your new home, or do you seek out the new place first and then sell your current abode? After all, few people can afford to maintain and make payments on two homes at once, but timing these things right can be a complicated maneuver. Before you decide which way will work best for you, talk it out with a REALTOR®. He or she has guided many clients through this process and will possess a wealth of experience that you can draw on when making your decision.

If you choose to buy a new home first, before selling your current one, you can minimize risk by making any offer to purchase a new home conditional on your own home selling within a certain time period. Although conditional offers can be less attractive to sellers, this method offers the benefit of knowing you won't be stuck with two homes indefinitely.

Waiting to put your house on the market until you find a new home can be reassuring, because it means you'll never be without at least one place to lay your head. However, it can become problematic in the event that your current house doesn't sell in a timely fashion and you do end up with two homes to pay for, at least for a short time.

Also, if you buy first and then try to sell, there remains the possibility that you won't have access to the funds freed up by the sale of your current home to cover the down payment and closing costs of the new home. You can look into obtaining something called interim or bridge financing, which is a short-term loan from your bank or mortgage lender that can be repaid once your old house is sold. Interest rates for this type of financing can be high, and the amount you can obtain will depend on the equity available in your current home, but it does offer a viable option. Talk to your bank or lending institution if you have questions about this type of product.

Selling first also has its advantages. For starters, you will know up front how much money you will realize on the sale of your current home, and can use that knowledge when purchasing your next home. You can also negotiate the purchase of the new home with more confidence, since offers with fewer conditions are more attractive to sellers.

Every situation will be different, and sometimes you may not have a choice about what order you do things in (when relocating to another city, for example). But there are many ways to make the process smoother, and your REALTOR® will be able to help. Together, you can make the transition from old home to new home a more pleasant one.

The President's Pen column was prepared by the Ottawa Real Estate Board and first appeared in the February 28 issue of the EMC community newspapers.