



Home Journal

Volume 21 Number 5

Sell First, Then Buy?

You can't afford to buy your next home until you sell your current home. You don't want to let go of your current home until you've found a new place to call home. Timing a sale and a purchase can be tricky. A contingent sale offer may be the answer, if you find a seller who agrees to work with you. A contingent sale means that your offer is subject to your current home being sold by a date specified on the contract. If your home doesn't sell by that time, you are not required to purchase the house and you'll receive your deposit back. If your home does sell, the contingent offer is binding.

Typically, the best houses don't sell on contingency because they're almost always in demand. When several buyers are bidding on the same house, a contingency

offer will probably not be considered. However a seller whose home hasn't sold as quickly as planned may be willing to consider a contingent sale. If this is the case, do some homework and find out why the home hasn't sold. It may be a reason you can live with, such as a home that needs a paint job or a lot that needs attention. It may be that the market isn't good or the home is overpriced. The seller may agree to accept your contingency offer, but you may have to pay more for the house than if you made a no-contingency offer.

In most cases, sellers will ask you to include a release clause in the purchase contract. This enables the sellers to keep their home available for purchase by other buyers. If another buyer makes an offer after

Continued on back page.