



## The do's and don'ts of a tandem sale and purchase

Wondering how seamlessly you can sell your home and move into a new one? Check out this list of do's and don'ts when selling your home and buying another at the same time:

### **Do prioritize selling**

- Buying a new home before selling your old one presents risky financial issues. Mortgage lenders are reluctant to provide new financing while you are paying a mortgage on an unsold home not intended as a rental.
- Since you likely need to cash out the equity in your current home to fund your down payment, a competent agent can negotiate provisions to close both transactions at the same time or arrange for you to close your sale and continue occupying until you close your purchase escrow.
- The more certain you are about the replacement home you're looking for, the more your agent can help.

### **Don't buy contingent on selling**

- Tying your purchase of a home to the sale of your old home eliminates many sellers. Most sellers are unwilling to pass up more certain buyers or put in the work to sell when the sale might fall apart.
- Fewer willing sellers means less potential for you to buy and reduces the odds you'll get an optimal price.
- Additionally, taking out a bridge loan on your old home for the down payment on a new home is way too financially risky.

Need someone to help you coordinate a tandem sale and purchase? Give me a call. I'm experienced negotiating concurrent closings.