



WHEN IS THE BEST TIME TO SELL AND BUY?

Over time our lives change and the home we live in may no longer be suitable to our needs moving forward. People often give thought to when the best time is to sell and then buy again.

If you're looking to buy something more suited to your current situation and the life you can see ahead of you which has changed since you bought the home that you are currently living in, now is a great time to make the transition. If you only want one mortgage at a time, you need to sell before you can buy.

One option is to wait until you see everything selling and you can see everything selling for more. This option will allow you to achieve a higher price for your property however it often results in the move costing you more money than selling on a stable market such as the current one. The problem with waiting until the market has increased is that you never know when the prices are going to level out again. When you sell on a rising market you can achieve a higher price than you may have paid however once you are in a position to buy the next home you find yourself competing with more buyers to secure your next home.

Generally speaking once the market takes off you end up buying your next home at a time when prices are higher than when you sold, even when you manage to secure the next property soon after securing a sale on your current property. You end up not only paying that much more for what you buy but more again as when you sell 1st on a rising market and then buy 2nd, prices have often increased in that short time which means you effectively end up underselling your home in relation to what you pay for the next one. On top of this you pay more commission and stamp duty as these fees are a percentage of the sale price, they are not fixed so these fees increase as the market increases. When you sell on a stable market such as the current one you are able to buy back in on the same market. All of the factors that impact how much you achieve for your current home, also impact the price the person achieves for the home that you buy. The current market also allows you to spend more time to find the perfect property and you are more likely to get a particularly good deal on the property that you buy. As a result, the price you achieve for your property becomes a good price in relation to what you pay for your next one. You also pay less in fees to all parties involved in the process.

Once the market does increase of which at some point it will, then your new home will go up accordingly and you can have your new home valued to establish how much equity you have in your home and will already be settled and enjoying the home that you have been living in for some time.

By Tim McCollum SYNERGY Property Specialists