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Downsizing Guide

Is your current home more than you need?

Maybe the kids have moved out and you've got way too much space! Or perhaps you'd simply like to hand over the keys and leave the maintenance to someone else so you can go travelling! Whatever your reasons, downsizing doesn't have to be stressful.

STEP #1:

Get a realistic idea of what your home is worth

Once you've got this information you're set to talk to your lender about how you want to finance your move. You'll also want to assess what repairs and maintenance you might want to do before your home goes on the market. Talk to your Realtor to find out where you'll get the best return before you take on any projects! We know what today's buyers are looking for!

STEP #2:




Create a financing plan

Bring your lender into the picture early! If your current home is mortgage-free, most lenders will set up a line of credit for you based on the equity you already have in your current property. This allows you to buy without selling first. If you have a mortgage on your current residence, generally as long as the bank sees that there is a firm sale on your current home, they will finance the new purchase. Or it's possible your bank may allow you to own and finance two properties without any conditions. Understanding all your financing options will put you in the strongest position possible when the time comes to negotiate the best price and terms on your purchase or your sale.

WANT TO KNOW MORE?

Reach out to us anytime! We'd be honoured to chat with you!
When you work with Schmidt, there's never any pressure & no obligation.

780.437.2030 info@WeSellEdmonton.com WeSellEdmonton.com

 SchmidtRealtyGroup  @Schmidt_Realty  @Schmidt_Realty



STEP #3:

Decide if you'll buy first or sell first

Ask yourself "Which would keep you up at night?" Temporarily owning two homes? Or, temporarily owning none! Your answer will tell you if you should sell first or buy first. If you'd rather buy first and are OK with temporarily owning two homes, you can take your time, find what you really want, and then put your home on the market after you purchase. In this case, securing a longer possession date on your purchase will allow you time to sell. Maybe you're already mortgage free so you can comfortably take on a mortgage for your new home. Alternatively, you could write an offer "subject to sale" of your current home. The trick here is to negotiate a long enough possession day on your purchase to give yourself time to sell! And not all sellers will accept this term.

if you'd rather sell first, the benefit is you'll know exactly what you have to spend but you'll be living with time pressure as you'll have to move out by a certain date. The trick here is to negotiate a long enough possession day on your sale to give yourself plenty of time to find a home you really want to move into!

STEP #4:

Establish a "Plan B"

Whether you buy first or sell first, it's important to have a Plan B. This is your "What if..." plan. If you're planning on selling first, your Plan B will be about where you will move to if you haven't found another home before you have to move out. Look into short-term rentals in the area, or ask friends if they know someone looking for someone to housesit for a month or two while they travel. Your Realtor can be a good resource as well – sometimes we know of vacant properties that our clients would be happy to rent out. If you're planning on buying first, your Plan B will involve what to do with your current home if it's not sold by the time you get the keys to your new home. Perhaps you keep it vacant and on the market, perhaps you rent it out while it's for sale, or perhaps you decide to keep it and rent it out for the long term. Just knowing you've got a Plan B means you'll sleep like a baby whatever happens!

STEP #5:

Think long term

Keep your eye on the prize. There may be some short term pain for long term gain. Remember why you're going through all of this – the giving away, selling, de-cluttering, packing etc. It's all so you can get to where you want to be! Whether you're downsizing to simplify your daily life or so you can "lock it and leave it" for extended travel, it's important on staying focused on the reason for your move.

Get the answers you need!
Visit WeSellEdmonton.com
and click on **FREE HOME EVALUATION** to find out
what your home is worth!

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