

SELLING AND BUYING: KNOW YOUR OPTIONS

Financing, contract protections and timing your next move

Should you sell first or buy your next home first?

Your plan depends on your equity, available cash and comfort with overlapping payments.

Four tools may help: **Bridge Loans** for access to equity, **Mortgage Recasting** for a later payment adjustment, **Home Sale Contingencies** for contract protection and a **Negotiated Rent Back** for time to move after selling. These tools serve different purposes and may be used together.



BRIDGE LOANS

Use your equity before your home sells.

A bridge loan is short term financing that may let you use equity in your current home toward your next purchase before your sale closes. It is generally repaid when the current home sells, subject to the loan's terms.

+ THE POTENTIAL BENEFIT

Buying without a home sale contingency may strengthen an otherwise similar offer. Bridge financing approval and other loan requirements still apply.



WHAT TO WEIGH

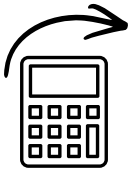
Consider the interest, fees, repayment deadline and possibility of overlapping housing obligations. A slower sale or lower sale price can affect your plan.

Potential bridge loan path



ASK YOUR LENDER

- ☐ How much equity could I access? How much cash would I still need?
- ☐ What are the total costs and payment obligations before my home sells?
- ☐ What happens if my sale is delayed beyond the loan's term?



MORTGAGE RECASTING **Buy now. Apply your proceeds later.**

After your current home sells, you may be able to apply sale proceeds to your new mortgage and request a recast. For eligible loans, the servicer recalculates your principal and interest payment using the reduced balance and remaining term. Your interest rate and payoff date stay the same.

+ THE POTENTIAL BENEFIT

A recast may lower your required principal and interest payment without refinancing. Buying without a home sale contingency may also strengthen an otherwise similar offer, but that advantage comes from your ability to buy independently of your sale, not from recasting.

⚖ THE IMPORTANT DISTINCTION

You must qualify for and fund the purchase before recasting, including any period of owning both homes. A recast does not supply your down payment. Eligibility and approval vary. Taxes, insurance and other payment components are separate.

Potential mortgage recast path



Purchase must be funded and qualified for before recasting.

✓ ASK YOUR LENDER BEFORE YOU BUY

- ☐ Will the mortgage on my next home be eligible for recasting?
- ☐ What minimum lump sum payment, fees and waiting periods apply?
- ☐ What would my payment be before and after the proposed recast?
- ☐ How would mortgage insurance be handled, if applicable?



RENT BACK **SELL NOW. MOVE LATER.**

With the buyer's written agreement, you may stay in your home temporarily after closing - sometimes at no charge! Agree on the move out date, costs and responsibilities. Confirm lender and insurance requirements and have a backup if your next home is not ready.



HOME SALE CONTINGENCIES

Make your purchase dependent on your sale.

A negotiated home sale or home closing contingency **can protect you when your purchase depends on selling your current home**. It may also make your offer less competitive than an otherwise similar offer without that condition. Having your home under contract may reduce uncertainty, but the sale still needs to close. Review deadlines, the seller's right to consider other offers and what happens if your sale falls through. **Listing your home alone does not protect your purchase. The negotiated contract terms matter.**



CHECK YOUR PLAN BEFORE COMMITTING

- ☐ Prepare to list. Review pricing, preparation and estimated net sale proceeds before making your next offer.
- ☐ Confirm financing. Ask how your existing mortgage affects approval and whether your lender requires reserves.
- ☐ Budget for both homes, bridge costs and a cash cushion. Avoid double counting escrowed costs. Plan for sale delays and changing move dates.



CHOOSE THE BALANCE THAT FITS YOUR MOVE

Potential savings: Selling first may reduce overlapping costs and avoid bridge fees. Compare those savings with rent back, storage or temporary housing expenses. Recasting may lower your payment, but not necessarily your total cost.

Convenience: Buying first may allow a direct move. A negotiated rent back can give you time after selling, but the move out deadline still applies.

Offer strength: Buying without a home sale contingency may strengthen an otherwise similar offer. Price, financing and timing still matter. Recasting alone does not strengthen an offer.



THE RIGHT GUIDANCE MATTERS!

Your pricing strategy, contract terms, financing and possession dates need to work together. I can help you organize both transactions while coordinating with your lender and closing professionals. The goal is a competitive offer you can comfortably fulfill. Email me at homes@andyburch.com. What is your biggest obstacle: accessing equity, managing payments or coordinating the timing?



Andy Burch | REALTOR®, Sales Manager

Licensed Real Estate Agent in Virginia

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Google rating
5.0 ★★★★★

804.929.2911 | homes@andyburch.com

Taylor Homes | TaylorHomesVA.com | Chesterfield, VA