Raine & Horne
Lower North Shore

TEAM HOWE

Buying and Selling at the Same Time

Two contracts. One move.

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If you are selling one home to buy another, the obvious question is whether you should buy first or sell first.

It sounds like a choice between two options. In practice there is a third. You prepare both transactions and bring them together when the right opportunity appears.

There is no order that works for everyone. The right sequence depends on which side of your move carries the greater uncertainty.

If you cannot confidently estimate what your existing home will sell for, selling first is usually safer.

If suitable replacement homes are genuinely hard to find, buying first can make more sense, if you have the financial capacity to carry the risk.

And if your home is ready for sale, your finance is arranged and your settlement terms are flexible, you may be able to coordinate both closely.

The important point is this. Do not choose the order out of fear. Choose it on evidence, on preparation, and on which risk you are best equipped to manage.

After thirty years selling on the Lower North Shore, the pattern I see is consistent. The people who run into trouble are almost never the ones who chose the wrong order. They are the ones who chose an order before doing the preparation.

Start with three numbers

Before you decide what comes first, establish three numbers. Get these right and the sequence usually becomes much clearer.

Your conservative sale price. This is not the highest figure mentioned in an appraisal. It is the lower, evidence-backed figure you can reasonably plan around.

If your appraisal comes back as a range, build your next move on the bottom of that range, not the top. Ideally, leave yourself some room below it.

Your all-in purchase limit. The purchase price is only the beginning. Your real limit must include stamp duty, legal and lending costs, building and pest inspections, moving costs, immediate repairs, and any period during which you may own both homes.

That total is your true ceiling, not the number the bank is willing to lend.

Your maximum overlap. If you buy first, how long can you comfortably own two homes? It might be one month, several months or not at all.

Know the holding cost and the maximum period you can carry before you sign anything. A plan that only works if your home sells immediately is not really a plan.

The Lower North Shore reality

Two things about this market shape the whole decision, and neither of them shows up in the online advice written for everywhere else.

First, this is not one market. The Lower North Shore is a patchwork of tightly held pockets, and they do not all move at the same speed.

A neighbouring suburb, or even a nearby street, can be running strongly while yours is quiet, or the other way around. The balance between buyers and sellers shifts by location, property type and price point.

The right sequence for your neighbour may therefore be the wrong sequence for you.

Second, these are some of Sydney's most tightly held suburbs. Owners stay for well over a decade, and in many pockets annual house sales are counted in dozens rather than hundreds.

Even when the headline listing count appears healthy, genuine choice can disappear the moment you apply your actual requirements.

Narrow the search by suburb, aspect, land, accommodation, condition and price, and a long list quickly becomes a very short one.

That scarcity is why buying first is a genuine option here in a way it may not be in many other markets. The replacement home can be the harder half of the move — not the sale.

Then there is the auction factor.

Many Lower North Shore homes are offered through auction campaigns. If you purchase under the hammer, the sale is unconditional. There is no cooling-off period, and you cannot decide afterwards that the finance, timing or sale of your existing home no longer suits you.

Once the hammer falls, you are legally committed.

> **BEFORE YOU BID**
>
> Buying first is not the problem. Buying without preparation is. Before bidding, have the contract reviewed, your deposit available, your financial position confirmed with your lender or mortgage broker, and your existing home prepared for sale.

When buying first makes sense

Buying first may suit you when:

- The type of home you want rarely becomes available.
- Your current home should attract a broad pool of buyers.
- You have the equity or finance to carry a short overlap.
- Your existing home has already been appraised and prepared for sale.

This is often the downsizer's situation. Quality single-level homes, well-designed apartments and low-maintenance properties close to shops and transport are among the tightest stock of all. Many people want exactly the same thing.

It also applies to families with specific requirements. Once you fix the suburb, school catchment, land size and layout, the apparent choice can disappear quickly.

Buying first removes the pressure to accept a home that does not properly suit you simply because your existing property has already sold.

The condition is simple: buy first only after your selling strategy and conservative numbers are established.

When selling first makes sense

Selling first is usually the wiser path when:

- The sale proceeds will determine exactly what you can afford.
- Your existing home has an uncertain value or a narrower buyer pool.

- Carrying two homes would place too much pressure on your finances.
- You are comfortable renting or using temporary accommodation.

Selling first provides certainty. You know exactly how much equity has been released, your financing becomes clearer and you can negotiate the next purchase without a second property hanging over you.

The trade-off is a deadline.

A longer settlement, temporary accommodation or a formal arrangement to remain in the home after settlement may give you more time. These options need to be considered before negotiating the sale contract — not afterwards.

When aligning both makes sense

For many owners, the ideal outcome is to sell and buy within the same window, with settlements occurring on the same day or close together.

That can reduce bridging costs, avoid a lengthy overlap and make the physical move considerably easier.

It also requires more coordination than most people expect.

A delay in one transaction can affect the other. Finance, contract conditions, removalists, settlement funds and access arrangements all need to align.

Bring your solicitor or conveyancer into the process early — particularly when completing the purchase depends on funds being released from the sale.

The tools that bridge the gap

The two transactions do not have to fit together perfectly on their own. A few tools can close the gap.

FLEXIBLE SETTLEMENT TERMS

Settlement lengths are negotiable. A longer settlement on your purchase, or a shorter one on your sale, can pull the two dates together.

BRIDGING FINANCE

For owners with the income and equity to support it, bridging can cover a short period of owning both homes. Understand the rate, the conditions, and what happens if your sale runs slow before you commit.

REMAINING AFTER SETTLEMENT

A buyer may agree to let you remain for a set period under a properly documented licence or lease. It needs their agreement and should go through both sides' solicitors.

THE SIX-MONTH MAIN-RESIDENCE OVERLAP

Australian tax provisions may allow both properties to be treated as your main residence for up to six months during a genuine move, provided the relevant conditions are satisfied.

Do not assume this automatically applies. Confirm your circumstances with your accountant.

Where these plans usually come unstuck

Problems rarely come from choosing to buy first or sell first. They come from deciding without enough preparation. The common mistakes are always the same.

- Relying on the highest possible sale price.
- Bidding before finance is confirmed.
- Waiting until after buying to prepare the existing home for sale.
- Forgetting stamp duty and short-term holding costs.
- Assuming two settlements will simply proceed together.
- Having no contingency if either side is delayed.

The goal is not to remove every risk, because you cannot.

It is to know which risk you are accepting, put a limit around it, and have a fallback if the timing moves.

A practical decision guide

YOUR POSITION	LIKELY STARTING POINT
The replacement home is rare and your finances can carry an overlap	**Consider buying first**
Your sale price determines what you can afford	**Consider selling first**
Your home is sale-ready and settlement terms are flexible	**Consider coordinating both**
You cannot afford two properties, even briefly	**Sell first, or make the purchase conditional where possible**
You have not established a conservative sale value	**Do not commit to either transaction yet**

The honest answer

There is no risk-free sequence.

- Buying first carries the risk of owning two homes or accepting less than expected for your existing property.
- Selling first carries the risk of not finding the right replacement, renting temporarily or moving twice.
- Coordinating both carries the risk that a delay in one transaction affects the other.

The real question is not “should I buy first or sell first.” It is: “Which part of my move carries the greatest uncertainty — and what happens if it takes longer or costs more than expected?”

Once you know the conservative value of your home, the true cost of your next purchase, and the maximum overlap you can carry, the right order usually becomes clear.

That is how two transactions become one properly planned move.

THE STARTING POINT

Three numbers. Your conservative sale price, your all-in purchase limit, and the maximum overlap you can afford. Establish those before the first contract is signed.

Let's Talk

If you're planning to buy and sell around the same time, we'd welcome a conversation — starting with an honest, evidence-backed appraisal of your current home.

There's no obligation, and you'll walk away knowing exactly where you stand before you commit to either transaction.

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