

You were Asking



E-mail your questions to
jamie@jmedwards.com
905-631-6363

The move-up purchase can be a challenge when determining the right time to list your existing home. Many people who purchased homes in the 2011 market, made the decision to hold off listing their current homes until the spring market commences. Well the Spring market is here.

What are the benefits of waiting? Well, buying in a downturn market and selling in an upturn market can work in your favour. It's risky to face the prospect of owning two homes, but, managing that risk can result in a profitable decision. Many times, the home you are leaving is quite saleable in any market. This would be the case for a first-time home buyer property. Affordability creates the demand. Plus, you likely will have considerable equity in the

Sell or buy first?

existing home, making it possible to buy firm and arranging bridge financing with your bank in the event the closing dates don't match up.

When you first begin your search for your move-up home, your search criteria takes on a very different dimension than when you looked for your first home (based, in most part, on price). You may now have children to consider. And, with their host of amenity requirements, schooling, parkland, shopping and transit routes, all will factor in on your wish list. So, it can be somewhat difficult to find that 'perfect' move-up.

Holding your current home off the market will ensure you still have a house to live in until you find the move-up! In addition, there can also be high demand for the

move-up home. If you can arrange for the sellers to accept a longer closing date to allow you time to sell your current home, you'll likely be able to co-ordinate both sale and purchase to your best advantage. Reaping the financial gain on the sale in the busiest market of the year and purchasing in the slowest market, can make for a smart financial decision... if you have the stomach for it!

Jamie M. Edwards, B.A., FRI, CRB, CRS is the Broker of Record for J.M. Edwards Associates Inc. and Past President of the Realtors Association of Hamilton-Burlington, Burlington Chamber of Commerce, and the Ontario Real Estate Association.



looking to put your family in a new home ...visit us online at

insideHALTON.com/printeditions



Buying a fixer-upper?

Make the most of your remodel

(ARA)—With home prices and interest rates still low and inventories high, it's a great time to be in the market for a fixer-upper. By buying a house that needs some work, you can achieve your dream home for less than you would probably pay for a move-in-ready abode.

To ensure you're making the most of your investment, however, it pays to take a look at your credit before you buy and begin your remodel. You'll not only need credit to cover the purchase price of the house, but you'll need it for renovation expenses as well.

The first step you should take in your bid to buy a fixer-upper is to check your credit report and score. Websites like www.creditreport.com can help you understand your credit. Understanding your credit will help you know whether or not you can afford to buy a house that needs work and if you'll be able to pay for the needed renovations.

You should also carefully research what your options are for financing your remodel. Learn what your options are, from traditional fixed mortgages to home equity lines of credit, and decide before you buy which type of financing will be best for you. Getting a handle on your financing before you buy can help ensure you stay on budget when you're in the middle of renovations.

When you've got a clear picture of your credit status and financing options, you can start looking at fixer-uppers. When you find a good prospect, have your remodeling contractor walk through the

house with you so he can give you a rough estimate of what needs to be done and how much the work will cost.

If you're buying a house that's in basically good condition but just looks dated, you'll have to make some decisions about where to invest your money. Focus on improvements that will not only look good, but will also enhance the value of your home. Resources like *Remodeling Magazine's Cost vs. Value* report can give you a good idea of how much of your original investment you'll recoup on different remodeling projects at the time of resale.

Once you've signed all the paperwork and the house is yours, it's time to get to work. If you're handy, you may be able to save money by doing some of the renovation work yourself. Projects like painting, adding crown molding and even putting down new flooring are well within the skills of most do-it-yourselfers. More complex projects like drywall, plumbing or electrical work may be best left to professionals.

Whether you do the work yourself, or hire contractors, you'll need to carefully manage all aspects of the renovation to ensure your remodel stays on budget. The excitement of remodeling a house into your dream home can make it easy to get carried away on spending. Keep in mind that remodeling estimates are just that - an estimate. The final tab is rarely exactly what your contractor predicted it would be. Build in at least 10 percent extra to cover emergency overruns, and avoid making any unnecessary changes to the plans while the project is underway.