



Bidding wars are not really about bidding, and they aren't really wars. We use the term to refer to when multiple buyers make offers on a house or condo at the same time, and a competition ensues.



**RECOGNIZE THE SELLER HAS CONTROL**  
**PREPARE TO BE FLEXIBLE**

It's not fun when you're not in control, but if you find yourself in a bidding war for the house of your dreams, accept that the Seller is in control and prepare to be flexible and adaptable to what the Seller wants.

The Seller may want to dictate how and when offers take place and may want a specific closing date, deposit amount or certain terms and conditions. Being amenable to what the Seller wants (assuming it makes sense for you of course) will increase your chances of getting the house.

# IGNORE THE ASKING PRICE



IT'S NOT NECESSARILY MARKET VALUE

How much a property is worth depends on how much a Buyer is prepared to pay for it. In a bidding war, your real estate agent will help you determine how much the house is REALLY worth (based on recent sales and the market) and you'll need to figure out how much that house is worth to YOU.



**DON'T WIN AT ANY PRICE**

HAVE A BUDGET AND STICK TO IT

The last thing any Buyer wants is to over-pay for a house. It's easy to get caught up in the emotion of a bidding war, but winning at all costs will have long-term repercussions to your bank account. Have a plan and a budget and stick to it.



Unlike traditional offer negotiations, there's rarely any back-and-forth between the Buyers and the Seller in a bidding war, so it's important that you go in with your strongest offer the FIRST time.

Your strongest offer is your highest price and your best terms and conditions.



## **NO CONDITIONS = LESS RISK FOR THE SELLER**

BALANCE YOUR NEED FOR PROTECTION WITH THE SELLER'S EXPECTATIONS

To win a bidding war, you need to do what you can to reduce the Seller's risk is choosing your offer, and that means no conditions. So get your financing in order and your home inspection done BEFORE the offer. That way, you've done your due diligence to protect yourself, but you're also letting the Seller know that you're serious and won't change your mind tomorrow. An offer without conditions is called a FIRM offer, and that's what Sellers are looking for in a bidding war. They want 100% certainty that you won't change your mind in the morning or want to re-negotiate the price.



# BE READY WITH A DEPOSIT

SUBMIT A CERTIFIED CHEQUE WITH YOUR OFFER

In Ontario, a Buyer must provide a Seller with a deposit to make an offer legal and binding. This deposit will form part of the down payment when it comes time to take possession of the house.

In Toronto, Buyers usually provide a deposit equal to 5% of the purchase price. Having a certified cheque for the deposit with your offer will show the Seller that you are financially able to buy the house and will of course, make your offer binding.



# STRATEGIZE

WORK WITH AN AGENT WHO KNOWS THE GAME

From offer timing to terms to presentation, many a bidding war has been won because of strategy.

Work with an agent who is experienced in the market and knows how to get you the house of your dreams.





One the night offers are being reviewed by the Seller, things move quickly. Be nearby (in a pub or coffee shop) so that you can make quick adjustments and decisions about your offer. Many a bidding war has been won because the Buyer was an nearby.



# DONT LOOK BACK

Nobody wakes up happy the day after a bidding war. If you lost, you wonder if you should have offered more, and if you won, you wonder if you should have offered less.

If you didn't get the house, then it just wasn't your house and your real home is still out there waiting. Hopefully you learned some important lessons about multiple offers and the market and will be better armed next time.

If you got the house: congratulations! Try not to gloat (ok, just a little bit