

How to get over losing a bidding war

Categories : [First-time homebuyer](#), [Rebate Blog](#)

For the last few years, some of Canada's housing markets have been pretty cutthroat with homes selling for more than \$100,000 over the asking price.

Last year, Canadians had a greater appetite for entering a [bidding war](#) with 34 per cent of Canadians willing to enter one, which is an increase by six percentage points from the year before, [according to BMO's Home Buying Report](#). Homebuyers in major cities, such as Toronto (44 per cent) and Vancouver (41 per cent), were more likely to enter a war, which shouldn't come as a surprise since housing markets in these cities are more competitive.

Current homeowners visited an average of 9.5 homes before buying a home. About half of current homeowners (49 per cent) bought their home on their first bid, but current homeowners who bought within the last five years were only successful on their first bid 42 per cent of the time, according to BMO's report. This drops further for homeowners in Toronto with only 24 per cent of homeowners successful on their first bid and in Vancouver with only 32 per cent successful on their first try.

Keep your emotions in check when taking part in a bidding war, but in the unfortunate case where you aren't successful, it can be difficult to get over the house you set your sights on as your future home.

One San Diego resident reacted badly when she lost her bid on what she deemed as a dream home. The losing bidder viewed 100 homes before bidding on one in Carmel Valley, San Diego, [according to the Telegraph](#). She was competing against six other bidders and another family won the bidding war, which was sold to them for US\$779,000 (about \$970,000 CAD).

After the winning family moved in, the losing bidder listed the property for sale on the Internet under a false name and interested buyers visited the home. But she didn't stop there. Neighbours received flyers warning them that a sex offender had moved into their neighbourhood and on Valentine's Day, wives in the neighbourhood received romantic cards from the new homeowner's husband, which he says he didn't send. There were also listings posted online for free fireworks on July 4, as well as announcing a New Year's Eve party and free sex with the homeowner's wife, which two men responded to. The new homeowners increased their security and took self-defense classes for their safety and they needed medication and counselling to cope with the stress of the situation.

The losing bidder was eventually discovered by police and she plead guilty to stalking. She was sentenced to stay away from the couple for a decade, one year of home electronic surveillance and five years of probation, according to the *Telegraph*.

The bidder inappropriately handled losing a bidding war, but how homebuyers react can be a problem, especially for first-time homebuyers, [according to the Washington Post](#). Buyers can get stuck thinking about the "house that got away," which can lead them to stop looking altogether or to constantly compare any property they see to the first house.

Before homebuyers even start shopping, they need to treat buying a home as a business transaction, without becoming emotionally attached. While homebuyers may mourn the home they lost, it's important to keep on searching since it may be similar to getting over your first crush and knowing that there'll be another house out there that suits you. Anyone taking part in a bidding war should put out their best offers since there isn't a second chance in the situation. But emotional decisions can also harm your financial situation and it's important to ensure that you can [afford](#) the offer you propose.

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