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Houses for sale in Chicago area caught in bidding wars due to low supply, high demand

Home prices skyrocket, especially in suburbs, as real estate market stays red hot



By [Samantha Chatman](#) via

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With home prices in the Chicago area surging, some buyers are left wondering if they should fight for the property they want, or wait.

CHICAGO (WLS) -- Homebuyers in Chicago and the suburbs are finding themselves in the middle of bidding wars as inventory remains low and demand for homes continues to soar.

Buyers are now going to extreme lengths to beat out the competition. Some homebuyers even said bidding above asking price may not seal the deal on the home they want -- that's how competitive the market is.

With home prices in the Chicago area surging, some buyers are left wondering if they should fight for the property they want, or wait.

Many couples realize they've outgrown their living space and need something bigger. For Benjamin and Salena Groya, that time has come thanks to their growing family.

The first-time homebuyers had their minds set on the Brookfield-La Grange area, but said they were outbid on seven homes.

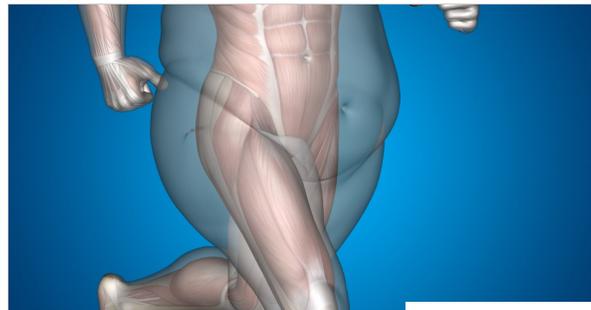
They started as anyone would in a normal housing market, by bidding low, but said they learned after the first house they couldn't do that. Even after regrouping and strengthening their bids, the couple said they still lost out.

"I said to my wife, this is the market telling us we're just not going to buy a home at this time. We're just going to continue to rent," Benjamin Groya said.

It's a frustrating reality many would-be buyers are encountering. Hasaan Abutaleb, vice president of mortgage lending at Guaranteed Rate, said the market has caught many of his clients completely off-guard.

"You go see a property, you think you have time to make an offer and think about it. You really don't. People are going in, coming out and making an offer," he said.

Abutaleb said there's a myriad of reasons behind increased demand, like historically low interest rates and people ready to kiss their renting days goodbye after being cooped up in a small apartment during the pandemic.



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Housing experts say supply is so low because of a national lumber shortage, reduced construction workforce, and would-be sellers who are opting to stay in their homes and wait out the pandemic.

As a result, the low inventory is driving home prices through the roof, especially in the suburbs, according to Geoff Smith, executive director of the Institute for Housing Studies at DePaul University.

"Twenty-six percent of sales in Cook County were above asking, which was a jump from what we had seen in the previous year," he said. "I think that's an indicator of the competitive nature of the market, and if you're looking for a home, particularly in a

desirable neighborhood, you're going to have to expect to bid for it."

And the lengths some homebuyers are willing to go to are astounding.

Realtors ABC7 spoke with said some clients have offered to pay out appraisal gaps, meaning if the home appraises for lower than what the owners are selling it for, buyers have been willing to cover the cost. Some have even offered to skip the inspection process altogether to stand out among other buyers. Skipping an inspection could come with expensive consequences down the road.

The Groyas were not willing to skip the inspection, but they did revise their wish list and compromised on location.

"Right before we were about to give up, we got lucky with this house that we're hopefully closing on in a couple of weeks," Benjamin Groya said.

Housing experts say if you're a buyer and are having trouble securing a home, try broadening your search and being open to different neighborhoods. Also, give that home that might need some work a second look; turnkey homes may be less of a headache, but could be a lot harder to find.

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