

2021 Survey

Best Practices for CMAs and Listing Presentations

Researched & Compiled by Lone Wolf Technologies



Introduction

Once again, we are excited to present to you our 2021 Survey of Best Practices for CMAs and Listing Presentations—it has been over 14 months since our inaugural survey in 2020. After a brief pause in the market in April–May 2020 (due to the onset of the worldwide pandemic), we've seen one of the hottest real estate markets ever ... with markets hitting close to 19% yearly appreciation rate in late 2021.

We hope you enjoy this report! We had a record number of respondents, and we think you'll find some of the results surprising.

For example, one of the best things about publishing this second annual report is comparing this year's report with last year's. We noticed an uptake in real estate professionals doing more remote/virtual listing presentations ... but our survey shows that most agents still feel that an in-person listing presentation gets the best results.

Another survey question that raised our eyebrows, is that more agents noticed iBuyers were paying over-market prices for homes. This matches the shocking very-recent news that Zillow has stopped purchasing homes and is exiting the iBuying market. Zillow cited that its algorithms were unable to accurately predict home prices and felt that the business model was too risky for their shareholders.

So once again, nothing beats the knowledge and know-how of a good agent and their trusty CMA!

Enjoy reading through the results.

Thank you,

Greg Robertson

General Manager, MLS

Lone Wolf Technologies

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Methodology

RESPONDENTS

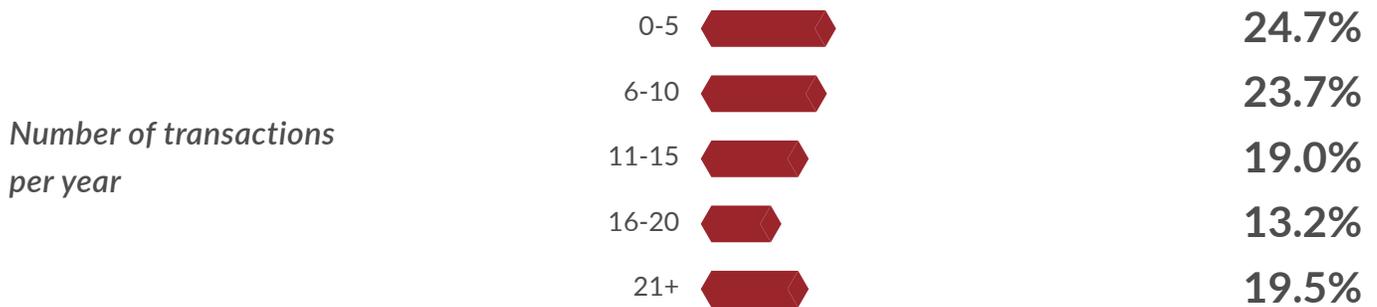
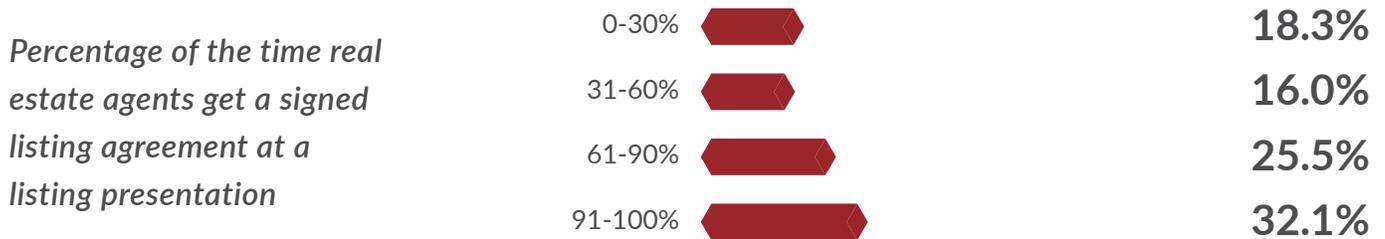
The survey was delivered via email to **769,612 real estate agents** who were either currently subscribed or previously subscribed to Cloud CMA and/or Lone Wolf Transactions. **96,883 participants** opened the email and saw the opportunity to take the survey, while **4,942 participants** completed the survey.

DATES

The survey was first sent on **Wednesday, September 22, 2021**, then closed on **Thursday, September 30, 2021**.

PARTICIPANT DEMOGRAPHICS





The margin of error for overall results is +/- 1 percent. This respondent rate is high enough, and the margin of error is low enough, that the results can be considered quantitative and reflective of the real estate agent landscape within this margin of error.

FINDING COMPARABLES (COMPS)

A Comparable Market Analysis (CMA) wouldn't be anything without comparable properties. Comps help agents arrive at an accurate list price with their sellers, based upon recently-sold homes that are similar to the subject property, while also taking into account current market conditions. So, we asked agents where they find them, what types of comps they look for, how many they use, and more.

When creating a CMA, where do you go to find comparable properties?



When creating a CMA, how much time do you spend researching comps?



How accurate do you believe Zillow's Zestimates to be?



*What property statuses do you include as comps in your CMA report?
[Check all that apply]*



WHAT'S CHANGED SINCE LAST YEAR

Throughout all of 2021, real estate's been in a low-inventory and highly-competitive market across North America—which has changed the approach to finding comps to include in a CMA report.

The use of expired listings as comps in a CMA is **down 16%** over 2020, and the use of withdrawn/canceled listings as comps is **down 12%** over 2020—which offers proof of homes selling quickly and not sitting on the market as long this year.

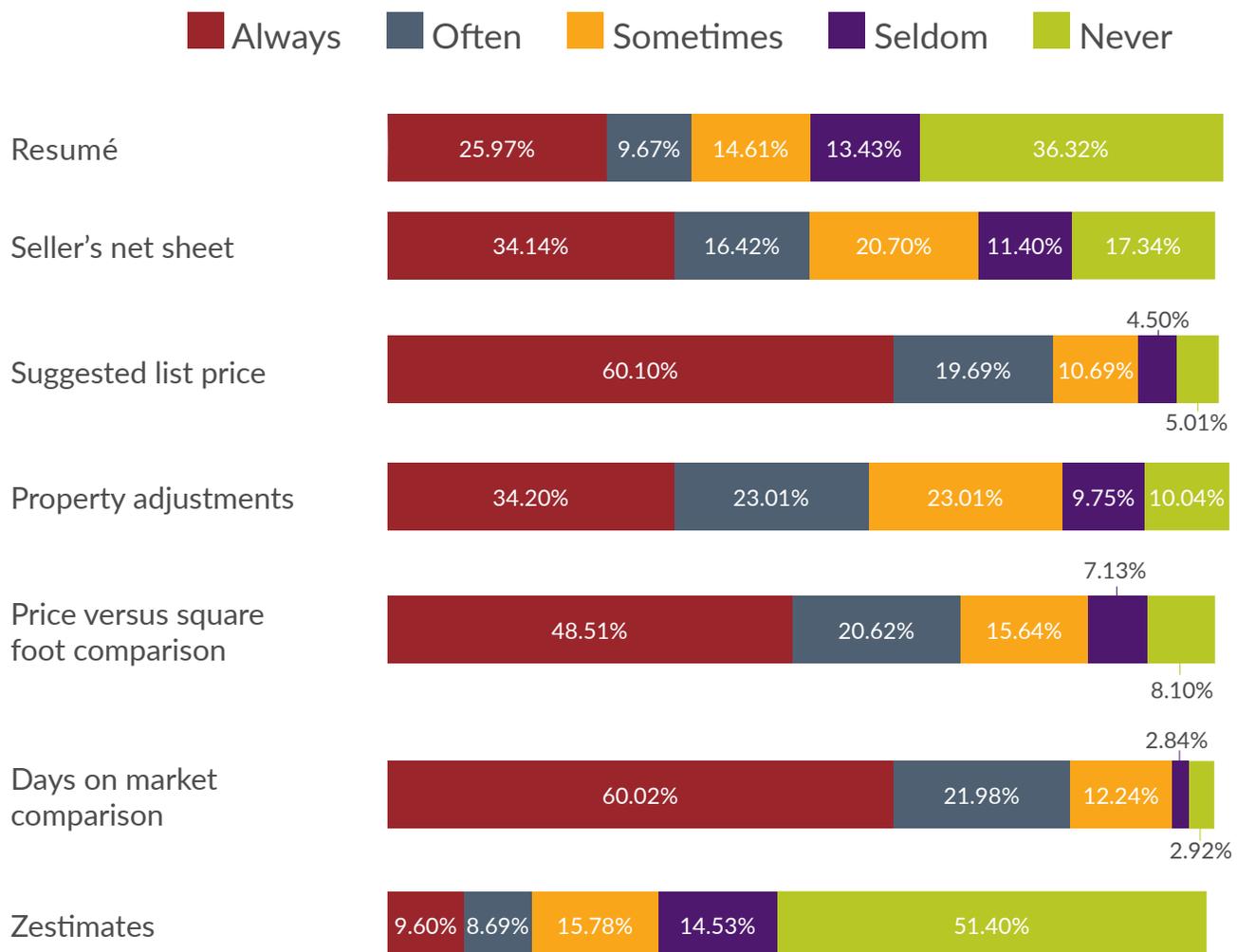
With homes selling quickly, it's been a challenge to accurately explain current market conditions, which has changed the number of comps agents include in their CMA reports. Agents are now on average **including a maximum of 12 comps** in their reports—which is **up from 11** in 2020.

CREATING A CMA REPORT

There's a lot that goes into creating and distributing CMAs to seller and buyer clients—and every agent approaches them slightly differently. To help guide you in crafting the perfect CMA, we found insights about when a CMA report is created in relation to the listing presentation, how often certain pages are included, and more.



How often do you include the following in your CMA report?



Client testimonials



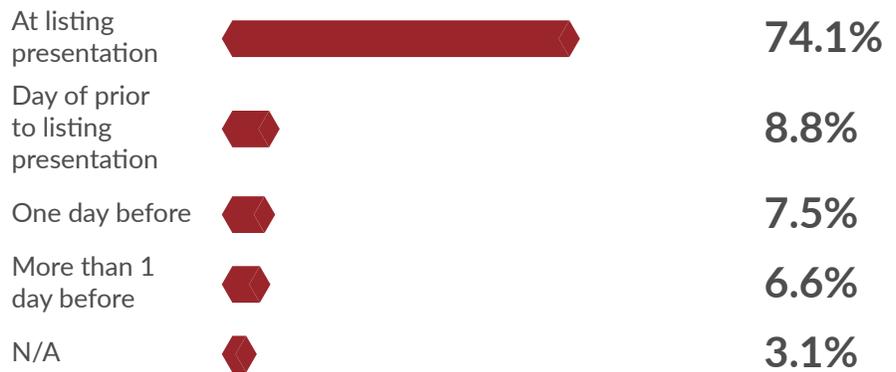
iBuyer information



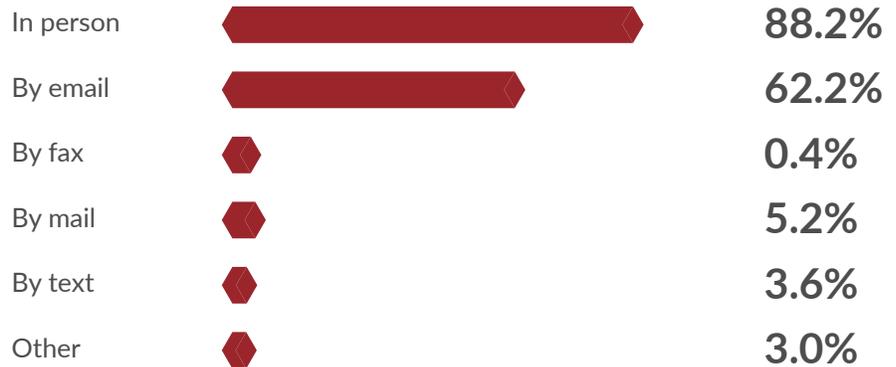
Do you put an expiration date on your CMAs?



When do you distribute your CMA to a client?



How do you distribute your CMA to a client?



WHAT'S CHANGED SINCE LAST YEAR



In 2021's competitive market—where there are **40% fewer listings on the market** than there are real estate agents—what agents include in their CMAs changed so they could quickly build trust, quickly gain consumer attention, and consequently beat out their competitors.

The number of agents who include a suggested list price in their CMAs **grew by 11.7%** in 2021 compared to 2020.

Additionally, fewer agents believe Zillow's Zestimates to be very accurate (**down 11% from 2020**). This caused **9% more** agents to claim that they never include Zestimates in their CMA reports in 2021 compared to 2020.



90% of agents find CMAs as an effective way to prove their value to seller clients.

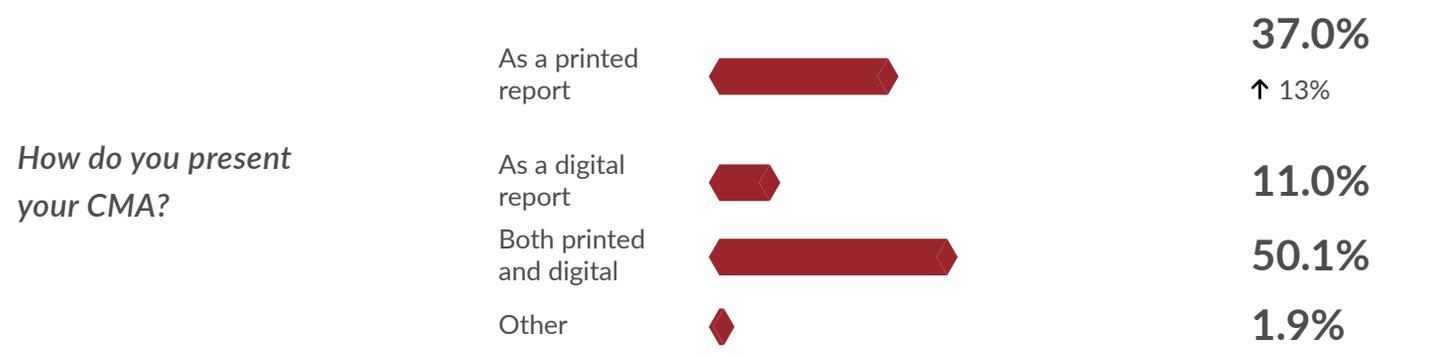
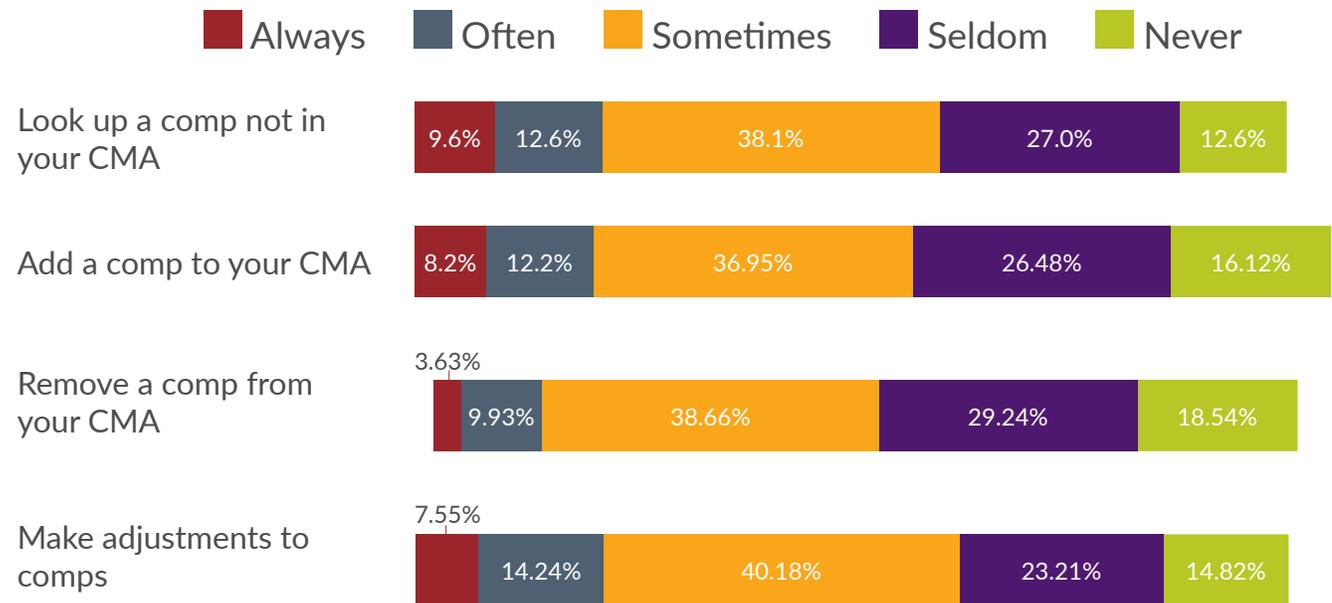
78% of agents find CMAs as an effective way to prove their value to buyer clients.

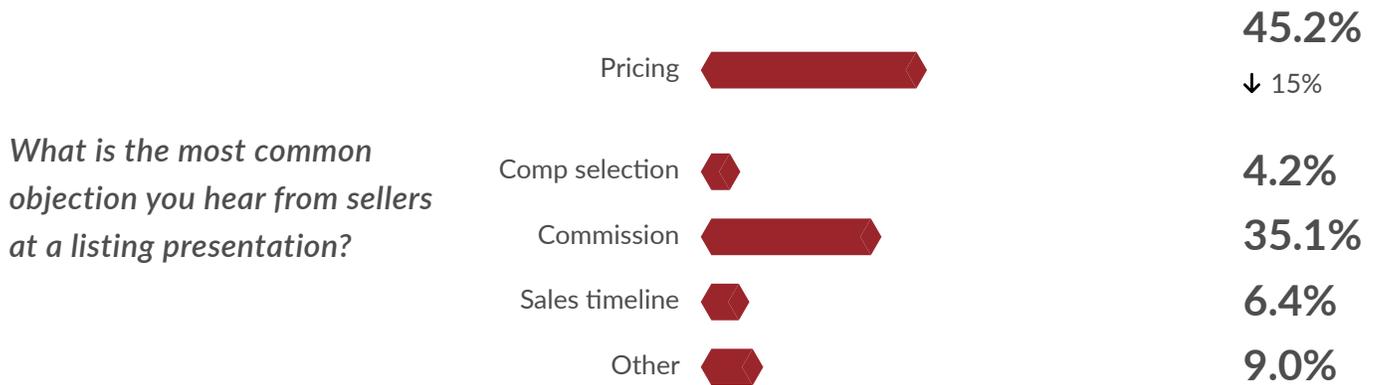


THE LISTING PRESENTATION

The listing presentation is the moment when agents can make it or break it. How they prepare, how they present, and what their clients say all contribute as to whether or not they get the listing. We asked agents how they get ready, what they do during, and after the crucial first client meeting.

At a listing presentation, how often do you...





WHAT'S CHANGED SINCE LAST YEAR

2021's low inventory combined with record-low mortgage rates, has caused homes across North America to sell on average at **14% higher** than they did in 2020. And while this has led to a fiercely competitive market for agents to win listings, there's one objection they are hearing less of this year: pricing. The seller's market is giving way to homeowners turning profits on their home, so in 2021 listing presentation objections around pricing have **decreased by 15%** compared to 2020.

Interestingly, even as the real estate industry is trending more and more towards digital, agents still find value in tried-and-true methods—and the proof's in the pudding; **13% more** agents delivered their CMA only as a printed report in 2021 than they did last year.

IMPACTS OF THE COVID-19 PANDEMIC

The Covid-19 pandemic forced real estate agents to change how they do business. In-person restrictions required agents to rethink their strategy, especially when it comes to listing presentations. In fact, compared to our results in 2020, **39% more** agents have now delivered a listing presentation virtually. But now that the in-person restrictions have lessened, **68% fewer** agents are planning to deliver a virtual listing presentation in the next six months.



THE FUTURE OF THE CMA

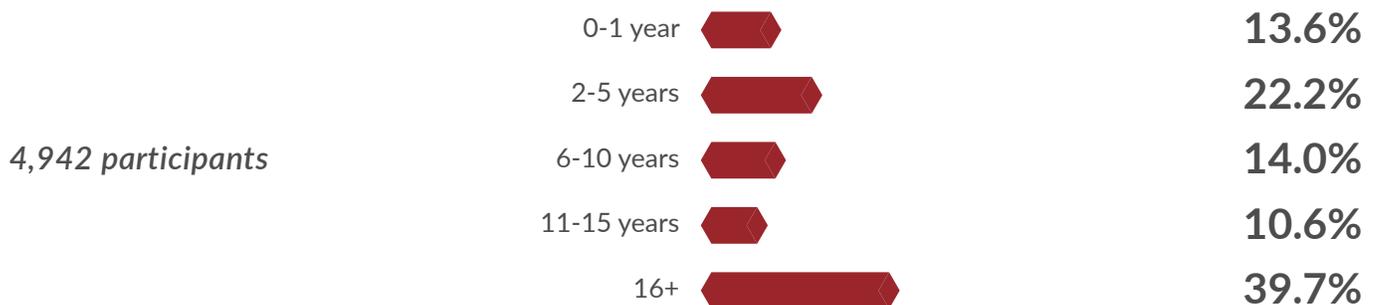
The Comparative Market Analysis report has been a primary tool in a real estate agent's toolbox for years. But what does the future look like when it comes to CMAs? We asked agents if they think this report will be more or less relevant in the future.



THE STATE OF CMAs AND LISTING PRESENTATIONS IN 2021

How real estate agents and brokers create, distribute, and present CMAs changes year over year—especially in 2021's highly competitive, low-inventory market due to the Covid-19 pandemic. This year's findings, researched and compiled by Lone Wolf Technologies, speak to real estate's ever-changing dynamics as agents and brokers continue to navigate market changes.

WHO RESPONDED

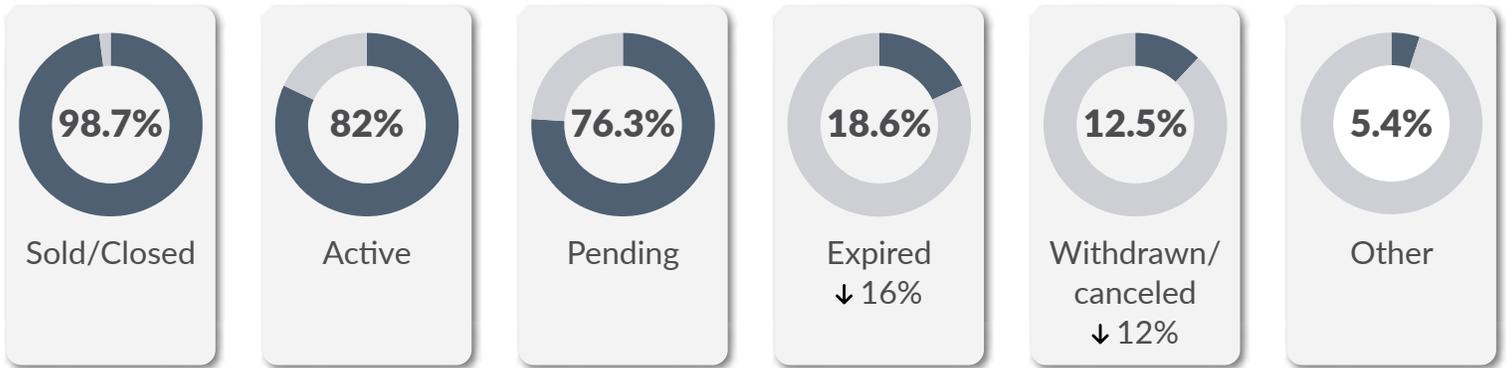


66.7% go on 0-12 listing presentations a year.

48.4% have 0-10 transactions a year.

THE CMA REPORT

Property statuses included as comps in a CMA report



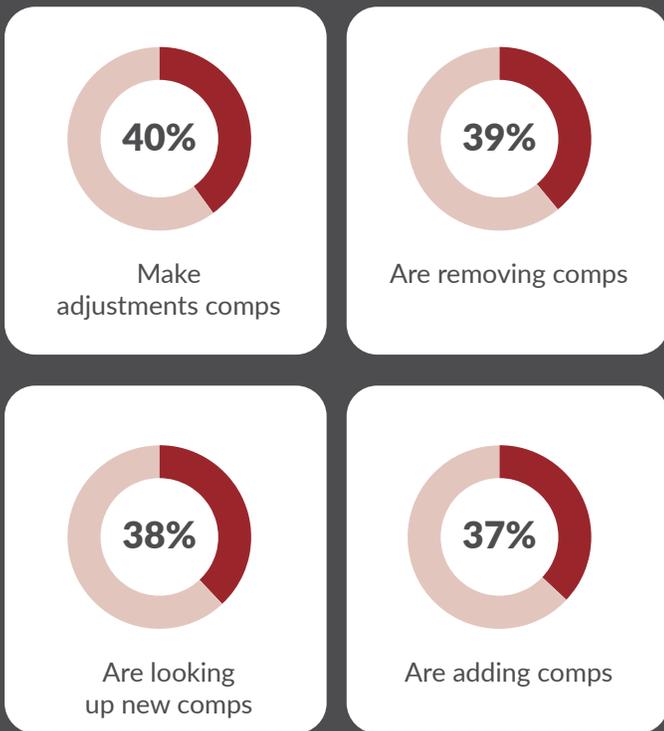
50%

are presenting both a digital CMA,
as well as bringing a printed report.

40%

have now delivered a virtual/remote
listing presentation (↑ 39%).

THE LISTING PRESENTATION



Most important elements of a CMA report



Zillow's changing impact:

67.5%

find Zestimates
to be inaccurate.

47%

would never include
a Zestimate in their
CMA report.

THE FUTURE OF CMAs

51%

think CMAs will be more
relevant in the future.



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