

MODULE VIII: Creating a CMA

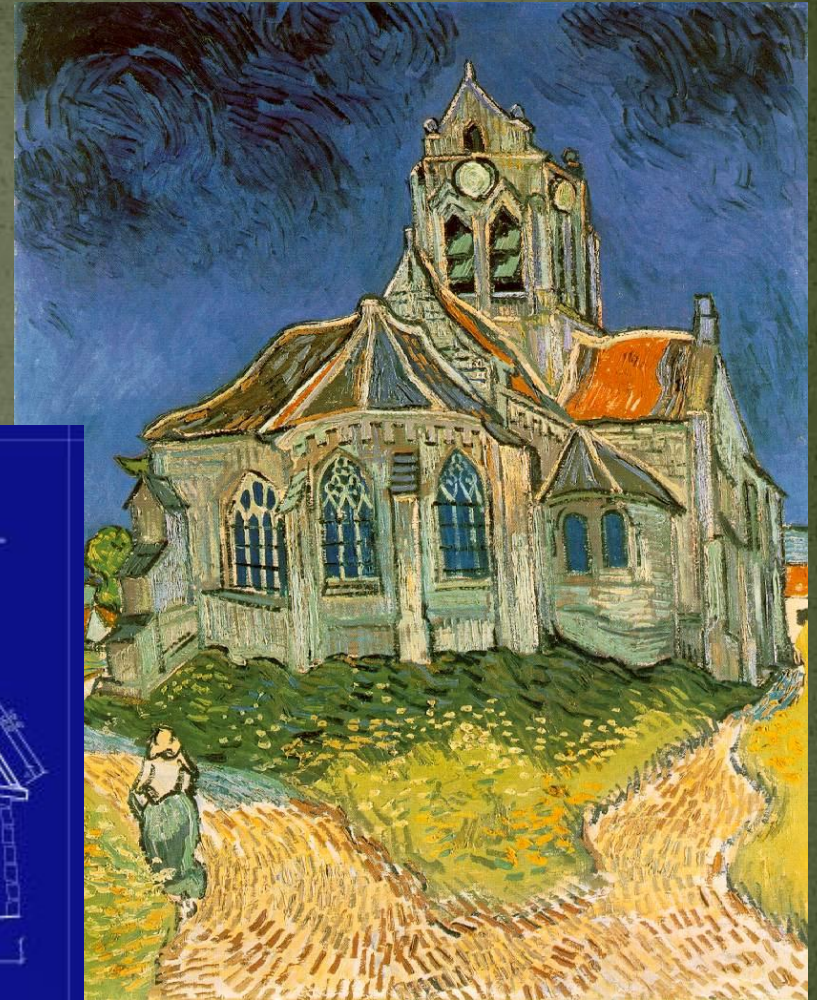
What's the Goal of a CMA?

1. To firmly establish your knowledge of the market in the prospect's mind.
2. To lay the groundwork for offering a realistic Purchase Price for the Property.



MODULE VIII: Creating a CMA

Art
meets
Science..



MODULE VIII: Creating a CMA

How a
Seller
views
their
house...



How a Buyer
views the
same house...



MODULE VIII: Creating a CMA

Your job is
to help your
client find
balance...



And peace...



MODULE VIII: Creating a CMA

Your
interview
process will
determine the
quantity and
the delivery
method for
the data...



MODULE VIII: Creating a CMA

How Much
Data Do You
Need?

How do you
know you
have enough?



MODULE VIII: Creating a CMA

What's the goal of your data?

Recent
SOLDS

TRULIA
ZILLOW
AVM's

Price

APPRECIATION
Macro/Micro

Price per
square foot

MODULE VIII: Creating a CMA

- Don't make it up!
- Don't present data you don't understand!
- Address conflicting data points!



MODULE VIII: Creating a CMA

- Solds are the best barometer
- Trulia & Zillow can help – but just a little
- Average sales price versus Median sales price
- Improvements made since the last time the house sold
- Price per square foot
- Price compared to entire market
- Price compared to neighborhood (consider foreclosures or short sales)
- Appreciating market or depreciating market
- DOM/CDOM



MODULE VIII: Creating a CMA

Making Adjustments



MODULE VIII: Creating a CMA

Adjustments aren't based on cost – they're based on the market!

- Time: 90 days or less (ideal)
- Location – backs to open space or busy street?
- Site – lot size compared to others not as big a deal as you'd think
- Views?
- Design/Appeal: both interior finish and exterior count but only within the established range
- Quality of Construction: Brick? Stucco? Siding?
- Condition: usually adjustment only if home is in particularly poor state
- Room Count: Square Footage vs. usable space – which is more valuable?
- Baths – how many? Master or no?
- Appliances? Stainless? Age?
- Fireplaces – insert/stove/pellet/wood/gas?
- Basements – finished or not/garden level?
- Functional Utility: steep driveways, no master bath, vinyl siding, etc.
- Heating/Cooling: gas forced air? Electric baseboard? Hot water/radiant?
- Garages: single/double/triple?
- Carports - ???
- Patios – how big?
- Decks – beware over-improvement for the area
- Windows – single pane?/wood/vinyl?
- Sprinkler systems?
- Extras: wet bar, security system, central vacuum

MODULE VIII: Creating a CMA

Quick and Painless!

For BUYERS:

3-up CMA (IRES)

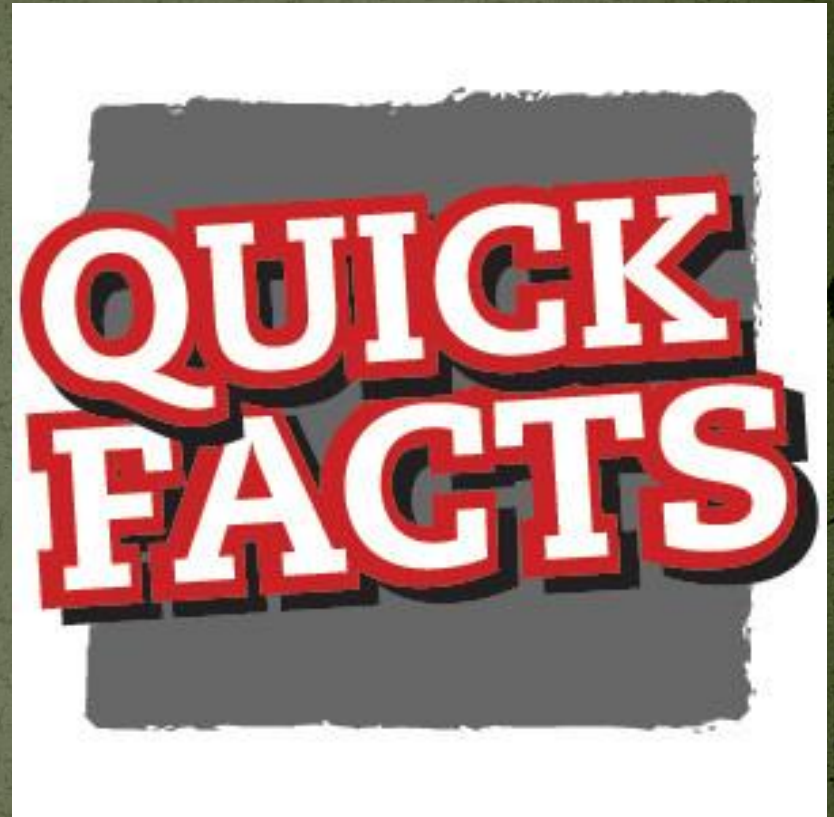
Public Records

Neighborhood Full CMA

Market Area Data for size, age,
price

You're simply verifying what the
listing agent is proposing as a
possible sales price.

Save Cloud CMA for Listings



MODULE VIII: Creating a CMA Thorough & Detailed!

For Sellers:

Use a Presentation Template
(Cloud CMA, FocusFirst)

3-up CMA (IRES)

Public Records

Neighborhood Full CMA

Market Area Data for size,
age, price

Use all photos of the comps to
show condition and finish

Use Expireds and Withdrawns to
show what couldn't sell



MODULE VIII: Creating a CMA HOMEWORK:

Consider Unsolicited CMA's as
a Prospecting Tool...

Buyer's CMA:

2445 Windrow Dr. A-107

Fort Collins, CO