

Program Endorsement Brief: 0511.00/ Real Estate

Real Estate Appraisal III

Los Angeles/Orange County Center of Excellence, March 2021

Summary Analysis

Program Endorsement:	Endorsed: All Criteria Met <input checked="" type="checkbox"/>	Endorsed: Some Criteria Met <input type="checkbox"/>	Not Endorsed <input type="checkbox"/>
Program Endorsement Criteria			
Supply Gap:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Living Wage: (Entry-Level, 25th)	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Education:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	
Emerging Occupation(s)			
Yes <input type="checkbox"/>		No <input checked="" type="checkbox"/>	

The Los Angeles/Orange County Center of Excellence for Labor Market Research (COE) prepared this report to provide Los Angeles/Orange County regional labor market supply and demand data related to three middle-skill occupations: *property appraisers and assessors* (13-2021), *real estate brokers* (41-9021), and *real estate sales agents* (41-9022). Middle-skill occupations typically require some postsecondary education, but less than a bachelor's degree.¹ Although *property appraisers and assessors* typically requires a bachelor's degree, it is considered middle-skill because approximately one-third of workers in the field have completed some college or an associate degree. Similarly, *real estate brokers* and *real estate sales agents* typically require a high school diploma, but 35% of workers in the field have completed some college or an associate degree on their way to meeting the licensing requirements for these occupations. This report is intended to help determine whether there is demand in the local labor market that is not being met by the supply from community college programs that align with the relevant occupations. While the target occupation for the proposed Real Estate Appraisal III program is *property appraisers and assessors*, the demand for the two additional real estate occupations is included since the supply for all real estate programs is considered.

Based on the available data there appears to be a supply gap for these real estate occupations in the region. Furthermore, entry-level wages exceed the living wage in both Los Angeles and Orange counties. **Therefore, due to all of the criteria being met, the COE endorses this proposed program.** Detailed reasons include:

¹ The COE classifies middle-skill jobs as the following:

- All occupations that require an educational requirement of some college, associate degree or apprenticeship;
- All occupations that require a bachelor's degree, but also have more than one-third of their existing labor force with an educational attainment of some college or associate degree; or
- All occupations that require a high school diploma or equivalent or no formal education, but also require short- to long-term on-the-job training where multiple community colleges have existing programs.

Demand:

- **Supply Gap Criteria** – Over the next five years, there is projected to be **2,981 jobs available annually** in the region due to new job growth and replacements, **which is more than the 433 awards conferred annually** by educational institutions in the region.
- **Living Wage Criteria:** Within Los Angeles County/Orange County, annual job openings for these three occupations have entry-level wages above the county's living wage (\$15.04/hour).² (\$17.36/hour).³
- **Educational Criteria:** Within the LA/OC region, **92% of the annual job openings** for occupations related to real estate **typically require a high school diploma**.
 - However, national-level educational attainment data indicates **between 31.1% and 35% of workers in the field have completed some college or an associate degree**.

Supply:

- There are **21 community colleges** in the LA/OC region that issue awards related to real estate, conferring an average of **411 awards annually** between 2016 and 2019.
- Between 2014 and 2017, there was an average of **22 awards conferred annually** in related training programs by non-community college institutions.

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for these three occupations. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to increase by 2% through 2024. There will be nearly 3,000 job openings per year through 2024 due to job growth and replacements

This report includes employment projection data by Emsi, which uses EDD information. Emsi's projections are modeled on recorded (historical) employment figures and incorporate several underlying assumptions, including the assumption that the economy, during the projection period, will be at approximately full employment. To the extent that a recession or labor shock, such as the economic effects of COVID-19, can cause long-term structural change, it may impact the projections. At this time, it is not possible to quantify the impact of COVID-19 on projections of industry and occupational employment. Therefore, the projections included in this report do not take the impacts of COVID-19 into account.

² Living wage data was pulled from California Family Needs Calculator on 4/1/2021. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

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Exhibit 1: Occupational demand in Los Angeles and Orange Counties⁴

Geography	2019 Jobs	2024 Jobs	2019-2024 Change	2019-2024 % Change	Annual Openings
Los Angeles	24,301	24,975	673	3%	2,159
Orange	9,696	9,753	57	1%	823
Total	33,997	34,727	730	2%	2,981

Wages

The labor market endorsement in this report considers the entry-level hourly wages for these real estate occupations in Los Angeles County as they relate to the county’s living wage. Orange County wages are included below in order to provide a complete analysis of the LA/OC region. Detailed wage information, by county, is included in Appendix A.

Los Angeles County: Annual openings for real estate occupations have entry-level wages above the living wage for one adult (\$15.04 in Los Angeles County).⁵ Typical entry-level hourly wages are in a range between \$17.04 and \$24.95. Property appraisers and assessors tend to earn higher wages relative to real estate brokers and real estate sales agents, respectively. Experienced workers can expect to earn wages between \$50.74 and \$67.05, which are higher than the living wage estimate. Los Angeles County’s average wages are above the average statewide wage of \$33.28 for these occupations

Orange County: Annual openings for real estate occupations have entry-level wages above the living wage for one adult (\$17.36 in Los Angeles County).⁶ Typical entry-level hourly wages are in a range between \$17.87 and \$25.19. Property appraisers and assessors tend to earn higher wages relative to real estate brokers and real estate sales agents, respectively. Experienced workers can expect to earn wages between \$51.58 and \$71.23, which are higher than the living wage estimate. Orange County’s average wages are above the average statewide wage of \$33.28 for these occupations.

Job Postings

There were 6,274 online job postings related to real estate listed in the past 12 months. The highest number of job postings were for leasing consultant, real estate agent, and real estate sales agent. The top skills were sales, leasing, and real estate experience. The top three employers, by number of job postings, in the region were Berkshire Hathaway HomeServices California Properties, Greystar, and Keller Williams Realty, Inc.

It is important to note that the job postings data included in this section reflects online job postings listed in the past 12 months and does not yet demonstrate the impact of COVID-19. While employers have generally posted fewer online job postings since the beginning of the pandemic, the long-term effects are currently unknown.

⁴ Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

⁵ Ibid.

⁶ Ibid.

Educational Attainment

In the LA/OC region, the majority of annual job openings (92%) typically require a high school diploma. However, the national-level educational attainment data indicates between 31.1% and 35.0% of workers in the field have completed some college or an associate degree. Of the 32% of job postings listing a minimum education requirement in Los Angeles/Orange County, 55.7% (1,152) requested high school or vocational training, 4.2% (87) requested an associate degree, and 20.1% (831) requested a bachelor's degree.

Educational Supply

Community College Supply—Exhibit 2 shows the annual and three-year average number of awards conferred by community colleges in the related TOP code: Real Estate (0511.00). The college with the most completions in the region is Mt. San Antonio. Over the past 12 months, there were three other related program recommendation requests from regional community colleges.

Exhibit 2: Regional community college awards (certificates and degrees), 2016-2019

TOP Code	Program	College	2016-2017 Awards	2017-2018 Awards	2018-2019 Awards	3-Year Award Average		
0511.00	Real Estate	Cerritos	14	14	17	15		
		Citrus	13	13	17	14		
		Compton	-	1	-	0		
		East LA	37	56	65	53		
		El Camino	9	7	21	12		
		Glendale	71	42	63	59		
		LA City	19	16	26	20		
		LA Harbor	1	3	4	3		
		LA Southwest	-	4	-	1		
		LA Trade-Tech	2	4	5	4		
		LA Valley	30	14	14	19		
		Long Beach	3	1	4	3		
		Mt. San Antonio	59	61	107	76		
		Rio Hondo	-	-	5	2		
		West LA	12	16	19	16		
		LA Subtotal			270	252	367	296
		Coastline	4	7	5	5		
		Fullerton	3	2	5	3		
		Irvine Valley	15	9	48	24		
		Orange County	7	26	26	20		
		Saddleback	23	17	108	49		
		Santiago	5	23	10	13		
		OC Subtotal			57	84	202	114

TOP Code	Program	College	2016-2017 Awards	2017-2018 Awards	2018-2019 Awards	3-Year Award Average
Supply Subtotal/Average			327	336	569	411

Non-Community College Supply—For a comprehensive supply analysis, it is important to consider the supply from non-community college institutions in the region that provide relevant training programs. Exhibit 3 shows the annual and three-year average number of awards conferred by this institution in the related Classification of Instructional Programs (CIP) Code: Real Estate (52.1501). Due to different data collection periods, the most recent three-year period of available data is from 2014 to 2017. Between 2014 and 2017, non-community college institutions in the region conferred an average of 22 awards annually in related training programs.

Exhibit 3: Regional non-community college awards, 2014-2017

CIP Code	Program	College	2014-2015 Awards	2015-2016 Awards	2016-2017 Awards	3-Year Award Average
52.1501	Real Estate	Learnet Academy Inc.	4	7	7	6
		University of Southern California	9	21	17	16
Supply Total/Average			13	28	24	22

Appendix A: Occupational demand and wage data by county

Exhibit 4. Los Angeles County

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25 th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75 th Percentile)
Property Appraisers and Assessors (13-2021)	2,305	2,271	(35)	(2%)	167	\$24.95	\$37.63	\$50.74
Real Estate Brokers (41-9021)	6,034	6,217	183	3%	544	\$18.32	\$35.25	\$67.05
Real Estate Sales Agents (41-9022)	15,962	16,487	525	3%	1,448	\$17.04	\$28.24	\$51.31
Total	24,301	24,975	673	3%	2,159			

Exhibit 5. Orange County

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Entry-Level Hourly Earnings (25th Percentile)	Median Hourly Earnings	Experienced Hourly Earnings (75th Percentile)
Property Appraisers and Assessors (13-2021)	891	858	(33)	(4%)	63	\$25.19	\$38.15	\$51.60
Real Estate Brokers (41-9021)	2,525	2,552	26	1%	220	\$19.49	\$36.29	\$71.23
Real Estate Sales Agents (41-9022)	6,279	6,343	64	1%	540	\$17.87	\$29.32	\$51.58
Total	9,696	9,753	57	1%	823			

Exhibit 6. Los Angeles and Orange Counties

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Typical Entry-level Education Requirement
Property Appraisers and Assessors (13-2021)	3,196	3,128	(68)	(2%)	230	Bachelor's degree
Real Estate Brokers (41-9021)	8,559	8,769	209	2%	764	High school diploma
Real Estate Sales Agents (41-9022)	22,241	22,831	589	3%	1,988	High school diploma
Total	33,997	34,727	730	2%	2,981	

Appendix B: Sources

- O*NET Online
- Labor Insight/Jobs (Burning Glass)
- Economic Modeling Specialists, International (Emsi)
- Bureau of Labor Statistics (BLS)
- Employment Development Department, Labor Market Information Division, OES
- California Community Colleges Chancellor's Office Management Information Systems (MIS)
- California Family Needs Calculator, Insight Center for Community Economic Development
- Chancellor's Office Curriculum Inventory (COCI 2.0)

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