



Real Estate Broker

February 2018

Prepared by the Los Angeles/Orange County Center of Excellence for Labor Market Research

Program Recommendation

This report was compiled by the Los Angeles/Orange County Center of Excellence to provide regional labor market data for the program recommendation of real estate broker. This report can help determine whether there is demand in the local labor market that is not being met by the supply from programs of study.

Based on the data, the COE has determined there is an unmet need for an additional real estate program in Los Angeles County. Reasons include:

- The number of jobs related to real estate brokers is predicted to experience a 3% increase through 2022
- Nearly 40% of the workforce has some postsecondary education, making these occupations relevant to community college students
- Approximately 67% of students are employed within six months after completing a real estate related program

Occupation Codes and Descriptions

Currently, there is one occupation in the standard occupational classification (SOC) system that is directly related to real estate brokers. The occupation title and description, as well as reported job titles are included in Exhibit 1.

Exhibit 1 – Occupation, description, and sample job titles

SOC Code	Title	Description	Sample of Reported Job Titles
41-9021	Real Estate Brokers	Operate real estate office, or work for commercial real estate firm, overseeing real estate transactions. Other duties usually include selling real estate or renting properties and arranging loans.	Broker, Broker Assistant, Broker Associate, Designated Broker, Managing Broker, Real Estate Associate, Real Estate Broker, Real Estate Sales Associate, Realtor, Supervising Broker

Source: O*NET Online

Current and Future Employment

In Los Angeles County, the number of real estate brokers is expected to increase by 3% over the next five years. Nearly 600 job opportunities will be available annually for this occupation through 2022 due to new job growth and replacement need (e.g., retirements). Exhibit 2 contains detailed employment projections data for this occupation.

Exhibit 2 – Five-year projections for real estate brokers in Los Angeles County

SOC	Occupation	2017 Jobs	2022 Jobs	2017 - 2022 Change	2017 - 2022 % Change	Annual Openings
41-9021	Real Estate Brokers	6,149	6,311	162	3%	596

Source: Economic Modeling Specialists International (EMSI)

Earnings

In Los Angeles County, the entry-level average wage for real estate brokers is \$12.55 per hour, which is below the MIT Living Wage¹ estimate of \$13.08 per hour for a single adult. The average annual earnings for this occupation in the region is \$59,250 per year, assuming full-time employment.

Exhibit 3 contains hourly wages and annual average earnings for this occupation. Entry-level hourly earnings is represented by the 10th percentile of wages, median hourly earnings is represented by the 50th percentile of wages, and experienced hourly earnings is represented by the 90th percentile of wages, demonstrating various levels of employment.

Exhibit 3 – Earnings for real estate brokers in Los Angeles County

SOC	Occupation	Entry-Level Hourly Earnings	Median Hourly Earnings	Experienced Hourly Earnings	Average Annual Earnings
41-9021	Real Estate Brokers	\$12.55	\$25.21	\$34.49	\$59,250

Source: Economic Modeling Specialists International (EMSI)

¹ MIT Living Wage Calculator. <http://livingwage.mit.edu/>

Employer Job Postings

In this research brief, real-time labor market information is used to provide a more nuanced view of the current job market, as it captures job advertisements for occupations relevant to the field of study. Employer job postings are consulted to understand who is employing real estate brokers, and what they are looking for in potential candidates. To identify job postings related to real estate brokers, the standard occupation classification code for real estate brokers (41-9021) was used along with keywords such as property broker and broker assistant.

Top Titles

There were 28 postings for real estate broker jobs in Los Angeles County in 2017. While the number of postings may seem low, it is important to note that a significant proportion of real estate brokers are self-employed. Broker assistant is mentioned as the job title in 43% of all relevant job postings (12 postings).

Exhibit 4 –Job titles (n=28)

Title	Job Postings, Full Year 2017
Broker Assistant	12
Real Estate Broker	9
Property Broker	4
Commercial Real Estate Broker	3

Source: Labor Insight/Jobs (Burning Glass)

Top Employers

Exhibit 5 lists the major employers hiring professionals in the field of real estate brokers. Top employers postings job ads included American Capital Corp, CBRE, Boardwalk Real Estate, Ryan Specialty Group, and Allen Lund Company. The top worksite cities in the region for these jobs were Los Angeles, La Cañada Flintridge, and Redondo Beach.

Exhibit 5 – Top employers (n=13)

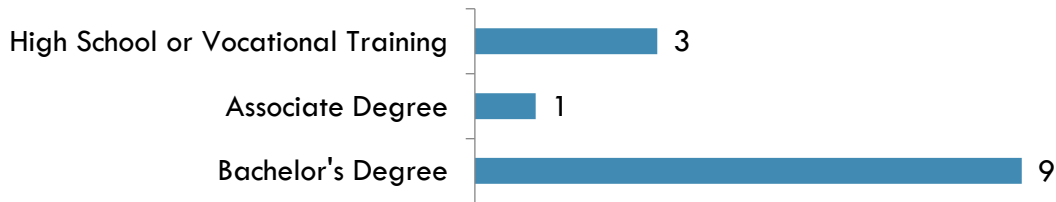
Employer	Job Postings, Full Year 2017
American Capital Corp.	4
CBRE	3
Boardwalk Real Estate	2
Ryan Specialty Group	2
Allen Lund Company	2

Source: Labor Insight/Jobs (Burning Glass)

Advertised Education Levels

Exhibit 6 displays the education level requested by employers in online job ads. The majority of employers were looking for a candidate with a bachelor’s degree. Approximately 54% of job postings did not specify a level of education.

Exhibit 6 – 2017 Online job ads with minimum advertised education requirements for real estate brokers (n=13)



Source: Labor Insight/Jobs (Burning Glass)

Education and Training

Exhibit 7 shows the typical entry-level education requirement for the occupation of interest, along with the typical on-the-job training, and percentage of workers in the field who hold a community college award or have completed some postsecondary courses. About 38% of the workforce in this occupation has completed some community college education as their highest level of education.

Exhibit 7 – Education and training requirements

SOC	Occupation	Typical entry-level education	Typical on-the-job training	% of Community College Award Holders or Some Postsecondary Coursework
41-9021	Real Estate Brokers	High school diploma or equivalent	None	38%

Source: Economic Modeling Specialists International, Bureau of Labor Statistics Employment Projections (Educational Attainment)

Currently, 13 community colleges in Los Angeles County train students in real estate. Exhibit 8 displays the annual awards conferred by for each of the colleges training in this field. It is important to note that an award is not equivalent to a single person in search of a job opening, since a student may earn more than one award (e.g. an associate degree and a certificate).

Between 2013 and 2016, the total annual average community college awards conferred was nearly 180 across one program: Real Estate (TOP Code: 0511.00)

Exhibit 8 – CCC Student Awards (by TOP and College)

TOP Code	Program	2013-2016 Annual Average				
		College	2013-14 Awards	2014-15 Awards	2015-2016 Awards	Total Average CC Awards
0511.00	Real Estate	Cerritos	4	8	8	7
		Compton	3	0	0	1
		East LA	35	53	38	42
		El Camino	10	10	9	10
		Glendale	6	8	5	6
		LA City	4	9	9	7
		LA Harbor	1	1	0	1
		LA Southwest	0	0	0	0
		LA Trade	3	8	6	6
		LA Valley	11	3	14	9
		Long Beach	2	2	0	1
		Mt San Antonio	106	62	72	80
		West LA	3	9	9	7
Total		188	173	170	177	

Source: California Community Colleges Chancellor’s Office MIS Data Mart

Student Outcomes

The CTE LaunchBoard provides student outcome data on the effectiveness of CTE programs. The following student outcome information was collected from exiters of the Real Estate program (TOP Code: 0511.00) in Los Angeles County for the 2014-15 academic year.

- The median annual wage after program completion is \$31,919
- 53% of students are earning a living wage
- 67% of students are employed within six months after completing a program

Source: CTE LaunchBoard

Sources

O*Net Online, Labor Insight/Jobs (Burning Glass), Economic Modeling Specialists International (EMSI), MIT Living Wage Calculator, Bureau of Labor Statistics (BLS) Education Attainment, California Community Colleges Chancellor’s Office Management Information Systems (MIS) Data Mart, and CTE LaunchBoard.

Notes

Data included in this analysis represents the labor market demand for positions most closely related to real estate brokers. Standard occupational classification (SOC) codes were chosen based on the national education level required for employment (associate degree and postsecondary certificate) as well as the proportion of current workers who hold a community college award or have had some community college training. This selection process narrows the labor market analysis to the most relevant employment opportunities for students with community college education and/or training.

Traditional labor market information was used to show current and projected employment based on data trends, as well as annual average awards granted by regional community colleges. Real-time labor market information captures job post advertisements for occupations relevant to the field of study and should not be used to establish current job openings, because the numbers may include duplicate job postings or postings intended to gather a pool of applicants. Real-time labor market information can signal demand and show what employers are looking for in potential employees, but is not a perfect measure of the quantity of open positions.