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Labor Market Analysis Real Estate

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Prepared by the Central Valley/Mother Lode Center of Excellence

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COVID-19 Statement: This report includes employment projection data by Emsi. 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 or potential output. To the extent that a recession or labor shock, such as the economic effects of COVID-19, can cause long-term structural change, they 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. Other measures such as unemployment rates and monthly industry employment estimates will reflect the most recent information on employment and jobs in the state and, in combination with input from local employers, may help validate current and future employment needs as depicted here.

If for any reason this document is not accessible or if you have specific needs for readability, please contact us and we will do our utmost to accommodate you with a modified version. To make a request, contact Nora Seronello by phone at (209) 575-6894 or by email seronellon@mjc.edu.

Summary

Please note the COVID-19 statement on page 2 when considering this report's findings.

This study conducted by the Central Valley/Mother Lode Center of Excellence examines labor market demand, wages, skills, and postsecondary supply for real estate. Six occupations related to real estate were identified for San Joaquin Delta College:

- 41-9022, Real Estate Sales Agents
- 13-2072, Loan Officers
- 43-4131, Loan Interviewers and Clerks
- 41-9021, Real Estate Brokers
- 13-2021, Property Appraisers and Assessors
- 23-2093, Title Examiners, Abstractors, and Searchers

Key findings:

- **Occupational demand** — Nearly 5,120 workers were employed in jobs related to real estate in 2019 in the North Central Valley/Northern Mother Lode (NCV/NML) subregion. The largest occupation is real estate sales agents with 2,169 workers in 2019, a projected growth rate of 3% over the next five years, and 197 annual openings.
- **Wages** — Title examiners, abstractors, and searchers earn the highest entry-level wage, \$22.78/hour in the subregion and \$22.11 in the region.
- **Employers** — Employers with the most job postings in the subregion are Pmz Real Estate, Fpi Management Incorporated, and Redfin Service Company.
- **Occupational titles** — The most common occupational title in job postings in the subregion is real estate sales agents. The most common job title is mortgage loan officer.
- **Skills and certifications** — The top baseline skill is communication, the top specialized skill is customer service, and the top software skill is Microsoft Office. The most in-demand certification is a Real Estate Certification.
- **Education** — A high school diploma is the typical entry-level education required for four of the six occupations. A bachelor's degree is typically required for loan officers, and property appraisers and assessors, but at least a third of workers in these occupations hold less than a bachelor's degree.
- **Supply** — Analysis of postsecondary completions in the region shows that on average 62 awards were conferred in the Central Valley/Mother Lode region each year.

Based on a comparison of occupational demand and supply, there is an undersupply of 366 trained workers in the subregion and 682 workers in the region. The Center of Excellence recommends that San Joaquin Delta College work with the Business and Entrepreneurship Regional Director, the college's advisory board, and local industry in the expansion of programs to address the shortage of real estate workers in the region.

Introduction

The Central Valley/Mother Lode Center of Excellence was asked by San Joaquin Delta College to provide labor market information for real estate. The geographical focus for this report is the North Central Valley/Northern Mother Lode (NCV/NML) subregion, but regional demand and supply data has been included for broader applicability and use. The average living wage for a single adult in NCV/NML subregion is \$10.27/hour.¹ Analysis of the program and occupational data related to real estate resulted in the identification of applicable occupations. The Standard Occupational Classification (SOC) System codes and titles used in this report are:

- 41-9022, Real Estate Sales Agents
- 13-2072, Loan Officers
- 43-4131, Loan Interviewers and Clerks
- 41-9021, Real Estate Brokers
- 13-2021, Property Appraisers and Assessors
- 23-2093, Title Examiners, Abstractors, and Searchers

The occupational titles, job descriptions, sample job titles, and knowledge and skills from the Bureau of Labor Statistics and O*NET OnLine are shown below.

Real Estate Sales Agents

Job Description: Rent, buy, or sell property for clients. Perform duties such as study property listings, interview prospective clients, accompany clients to property site, discuss conditions of sale, and draw up real estate contracts. Includes agents who represent buyer.

Knowledge: Customer and Personal Service, Sales and Marketing, English Language, Law and Government, Clerical

Skills: Active Listening, Speaking, Negotiation, Coordination, Social Perceptiveness

Loan Officers

Job Description: Evaluate, authorize, or recommend approval of commercial, real estate, or credit loans. Advise borrowers on financial status and payment methods. Includes mortgage loan officers and agents, collection analysts, loan servicing officers, loan underwriters, and payday loan officers.

Knowledge: Customer and Personal Service, Economics and Accounting, English Language, Mathematics, Sales and Marketing

Skills: Active Listening, Speaking, Judgement and Decision Making, Reading Comprehension, Critical Thinking

Loan Interviewers and Clerks

Job Description: Interview loan applicants to elicit information; investigate applicants' backgrounds and verify references; prepare loan request papers; and forward findings, reports, and documents to appraisal department. Review loan papers to ensure completeness, and complete transactions between loan establishment, borrowers, and sellers upon approval of loan.

Knowledge: Customer and Personal Service, English Language, Clerical, Computers and Electronics, Law and Government

Skills: Active Listening, Speaking, Reading Comprehension, Critical Thinking, Writing

¹ The term "living wage" in Center of Excellence reports is calculated by averaging the self-sufficiency wages from the Insight Center's California Family Needs Calculator for each county in the subregion: <https://insightccd.org/tools-metrics/self-sufficiency-standard-tool-for-california/>.

Real Estate Brokers

Job Description: 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.

Knowledge: Sales and Marketing, Customer and Personal Service, English Language, Law and Government, Administration and Management

Skills: Speaking, Active Listening, Critical Thinking, Reading Comprehension, Active Learning

Property Appraisers and Assessors

Job Description: Appraise real estate, exclusively, and estimate its fair value. May assess taxes in accordance with prescribed schedules.

Knowledge: English Language, Customer and Personal Service, Computers and Electronics, Mathematics, Law and Government

Skills: Active Listening, Reading Comprehension, Critical Thinking, Speaking, Judgement and Decision Making

Title Examiners, Abstractors, and Searchers

Job Description: Search real estate records, examine titles, or summarize pertinent legal or insurance documents or details for a variety of purposes. May compile lists of mortgages, contracts, and other instruments pertaining to titles by searching public and private records for law firms, real estate agencies, or title insurance companies.

Knowledge: English Language, Law and Government, Clerical, Customer and Personal Service, Computers and Electronics

Skills: Reading Comprehension, Active Listening, Critical Thinking, Speaking, Writing

Occupational Demand

The North Central Valley/Northern Mother Lode subregion employed 5,116 workers in real estate occupations in 2019 (Exhibit 1). The largest occupation is real estate sales agents with 2,169 workers in 2019. This occupation is projected to grow by 3% over the next five years and has the greatest number of projected annual openings, 197.

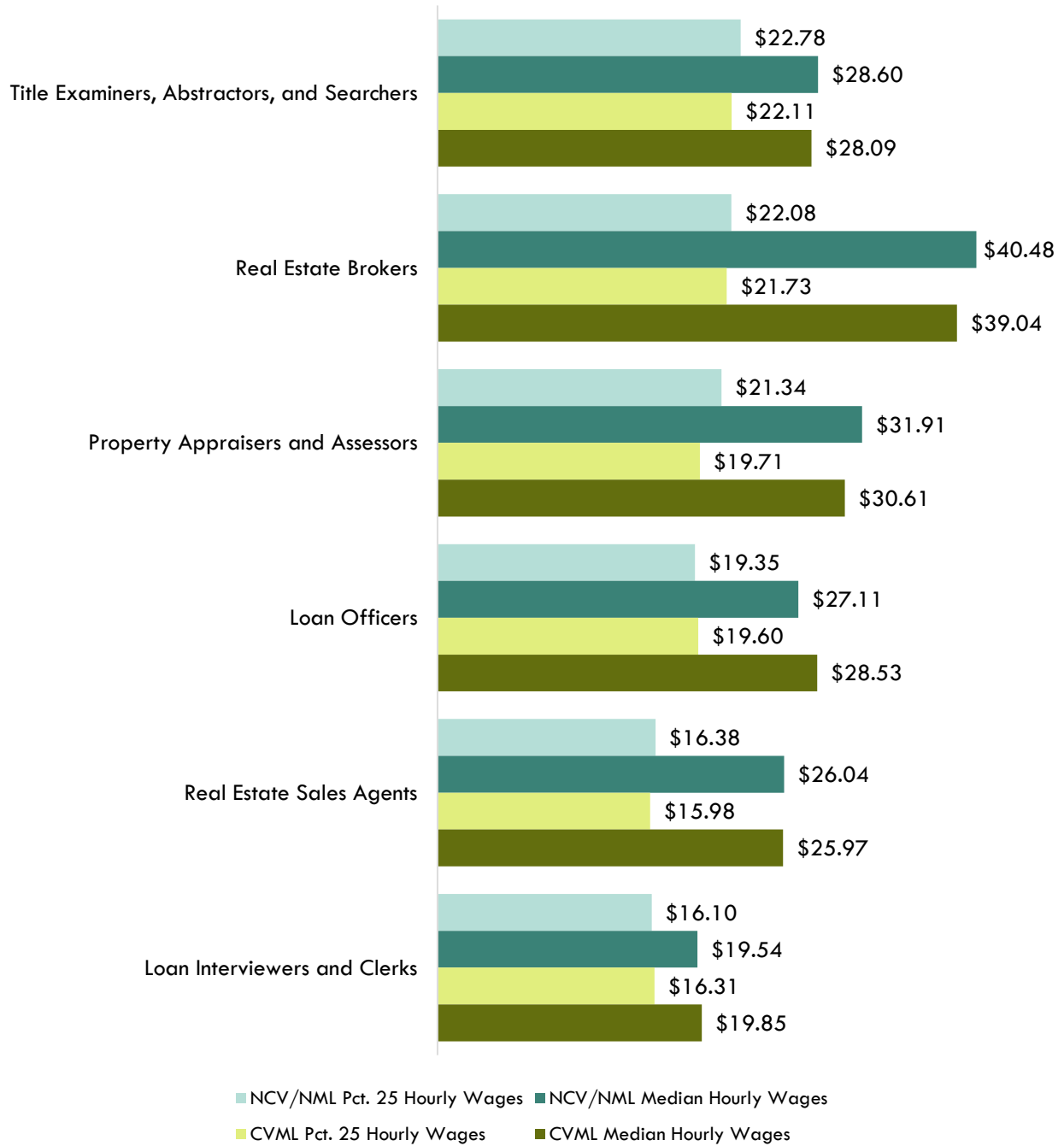
Exhibit 1. Real estate employment and occupational projections in the NCV/NML subregion

Occupation	2019 Jobs	2024 Jobs	5-Year Change	5-Year % Change	Annual Openings
Real Estate Sales Agents	2,169	2,236	68	3%	197
Loan Officers	1,302	1,211	(91)	(7%)	90
Loan Interviewers and Clerks	687	653	(33)	(5%)	60
Real Estate Brokers	571	580	9	2%	50
Property Appraisers and Assessors	216	213	(3)	(1%)	16
Title Examiners, Abstractors, and Searchers	171	157	(14)	(8%)	13
TOTAL	5,116	5,051	(65)	(1%)	428

Wages

Exhibit 2 compares the entry-level and experienced wages of the real estate occupations. Title examiners, abstractors, and searchers earn the highest entry-level wage, \$22.78/hour in the subregion and \$22.11 in the region.

Exhibit 2. Entry-level and experienced wage comparison in the NCV/NML subregion and region



Job Postings

There were 680 job postings for the six occupations in the NCV/NML subregion from September 2020 to February 2021.² The employers with the most job postings are listed in Exhibit 3.

Exhibit 3. Top employers of real estate workers by number of job postings

Employer	Job Postings	% Job Postings
Pmz Real Estate	170	459%
Fpi Management Incorporated	19	51%
Redfin Service Company	19	51%
Coldwell Banker	15	41%
Certified Mobile Notary Service	14	38%
Freedom Mortgage	13	35%
Obsidian Financial Services	12	32%
Choate Real Estate Group	11	30%
Pwm Company Incorporated	9	24%
Summit Funding Incorporated	9	24%

Exhibit 4 shows how job postings for the targeted occupations in the NCV/NML subregion are distributed across seven O*NET OnLine occupations. The occupational title real estate sales agents is listed in 352 job postings. Note how this occupational title dominates the job posting results. Common job titles in postings include mortgage loan officer in 36 job postings, real estate agent in 31 job postings, and leasing consultant in 26 job postings.

Exhibit 4. Top occupational titles in job postings for real estate

Occupational Title	Job Postings	% of Job Postings
Real Estate Sales Agents	352	378%
Loan Officers	187	201%
Loan Interviewers and Clerks	107	115%
Assessors	18	19%
Title Examiners, Abstractors, and Searchers	7	8%
Real Estate Brokers	6	6%
Real Estate Sales Agents	352	378%

Salaries

No data was available on “Market Salaries” for real estate occupations. Market Salaries are calculated by Burning Glass which uses a machine learning model built off of millions of job postings every year, and accounts for adjustments based on locations, industry, skills, experience, education requirements, among other variables.

² Other than occupation titles and job titles, the categories below can be counted one or multiple times per job posting, and across several areas in a single posting. For example, a skill can be counted in two different skill types, and an employer can indicate more than one education level.

Education

Of the 680 job postings, 41 listed an education level preferred for the positions being filled. Of those, 432% requested high school or vocational training, 239% requested a bachelor's degree, and 61% requested an associate degree (Exhibit 5). A job posting can indicate more than one education level. Hence, the percentages shown in the chart below may total more than 100%.

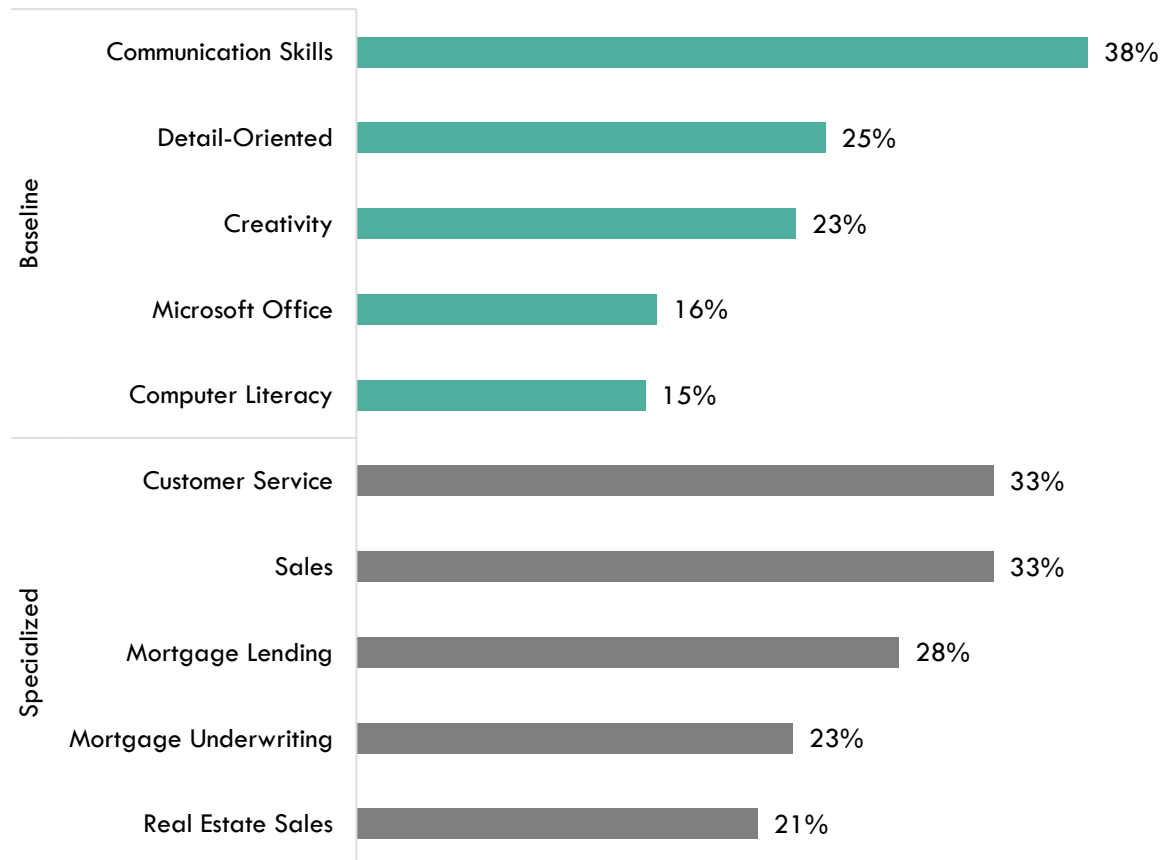
Exhibit 5. Education levels requested in job postings for real estate

Education Level	Job Postings	% of Job Postings
High school or vocational training	177	432%
Bachelor's degree	98	239%
Associate degree	25	61%
Master's degree	12	29%
Doctoral degree	5	12%

Baseline and Specialized Skills

Exhibit 6 depicts the top baseline and specialized skills for the targeted occupations. The three most important baseline skills are communication, 38% of job postings, detail oriented, 25%, and creativity, 23%. The top three specialized skills are customer service, 33% of job postings, sales, 33%, and mortgage lending, 28%.

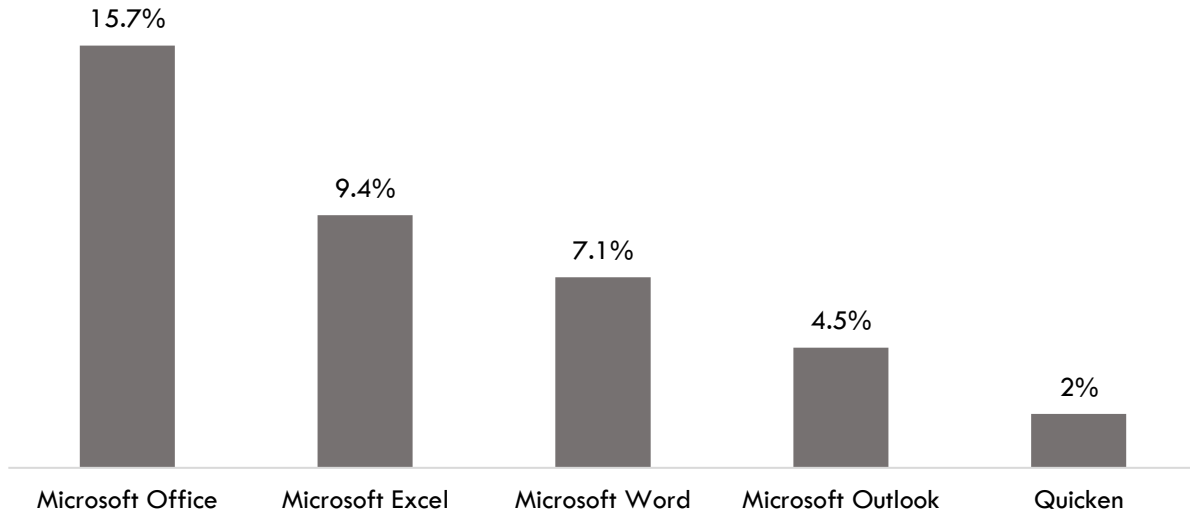
Exhibit 6. In-demand real estate baseline and specialized skills



Software Skills

Analysis also included the software skills most in demand by employers. Microsoft Office and Excel were the top two software skills identified in job postings (Exhibit 7).

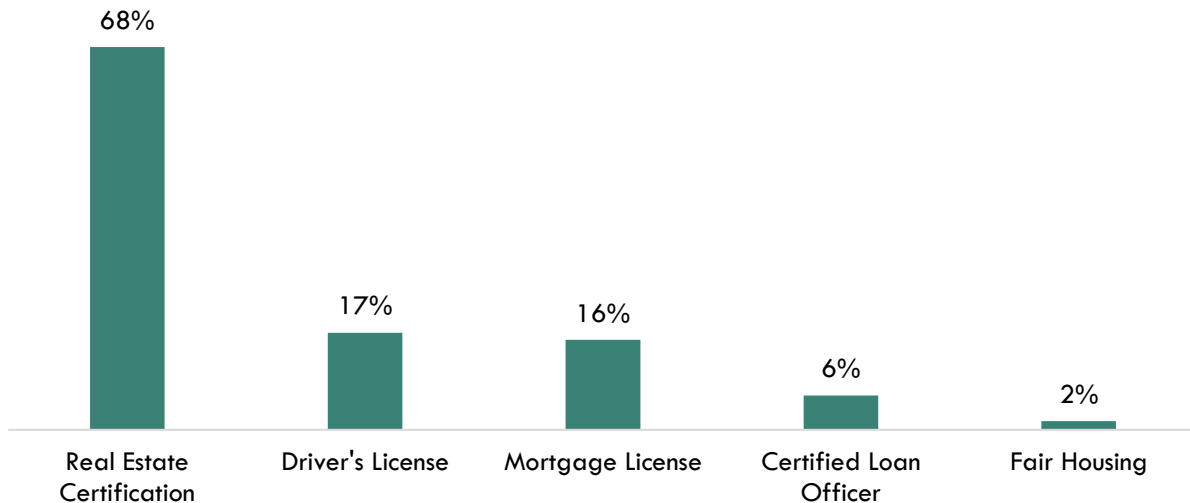
Exhibit 7. In-demand real estate software skills



Certifications

Of the 680 job postings, 396 contained certification data. Among those, 68% indicated a need for a Real Estate Certification. The next top certifications are driver's license and mortgage license (Exhibit 8). (Due to the low number of job postings with certifications listed, the chart below may not be representative of the full sample.)

Exhibit 8. Top real estate certifications requested in job postings



Education, Work Experience & Training

A high school diploma is the typical entry-level education required for four of the six occupations (Exhibit 9). A bachelor's degree is typically required for loan officers and property appraisers and assessors, but at least a third of workers in these occupations hold less than a bachelor's degree.

Exhibit 9. Education, work experience, training, and Current Population Survey results for real estate occupations³

Occupation	Typical Entry-level Education	Work Experience Required	Typical On-The-Job Training	CPS
Real Estate Sales Agents	High school diploma or equivalent	None	Moderate-term	36.2%
Loan Officers	Bachelor's degree	None	Moderate-term	34.7%
Loan Interviewers and Clerks	High school diploma or equivalent	None	Short-term	48.5%
Real Estate Brokers	High school diploma or equivalent	Less than 5 years	None	36.2%
Property Appraisers and Assessors	Bachelor's degree	None	Long-term	33.4%
Title Examiners, Abstractors, and Searchers	High school diploma or equivalent	None	Moderate-term	40.7%

³ "Labor Force Statistics from the Current Population Survey," Bureau of Labor Statistics, <https://www.bls.gov/cps/>.

Supply

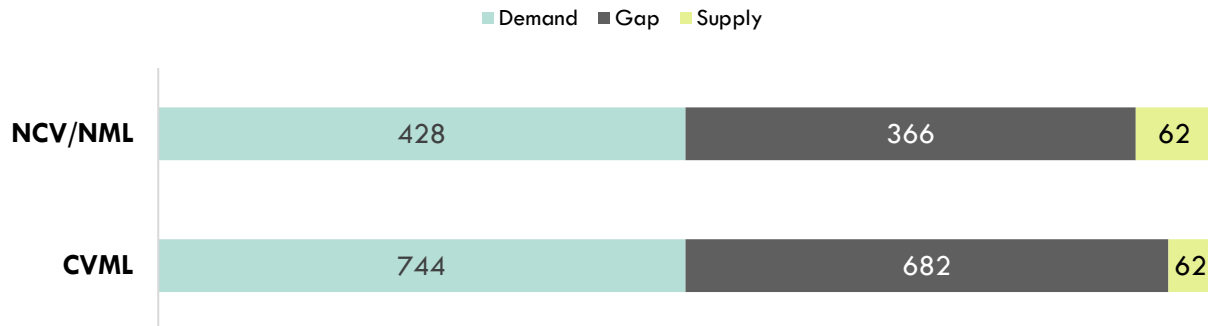
Analysis of program data from the California Community Colleges Chancellor's Office Data Mart included the TOP code and title: 051100 - Real Estate. Analysis of the last three years of data shows that, on average, 62 awards were conferred in the Central Valley/Mother Lode region each year (Exhibit 10).

Exhibit 10. Postsecondary supply for real estate occupations in the region

TOP Code - Title	Colleges	Associate Degree	Certificate 18 < 30 Semester Units	Certificate 6 < 18 Semester Units	Subtotal
051100 - Real Estate	Merced	0		1	1
	Modesto	3	4	47	54
	San Joaquin Delta	3	4		7
TOTAL		6	8	48	62

There is an undersupply of 366 real estate workers in the NCV/NML subregion and 682 workers in the region (Exhibit 11).

Exhibit 11. Real estate workforce annual demand and supply in the NCV/NML subregion and region



Student Outcomes

Exhibit 12 summarizes employment and wage outcomes from the California Community College Chancellor’s Cal-PASS Plus LaunchBoard for the TOP code related to real estate. There were 19 real estate students who received a degree or certificate or attained apprenticeship journey status and 20 who transferred; 62% of students obtained a job closely related to their field of study; 21% reported a median change in earnings; and 61% attained a living wage.

Exhibit 12. Regional metrics for the TOP codes related to real estate

Metric	Real Estate 051100
Students Who Got a Degree or Certificate or Attained Apprenticeship Journey Status	19
Number of Students Who Transferred	20
Job Closely Related to Field of Study	62%
Median Change in Earnings	21%
Attained a Living Wage	61%
* denotes data not available.	

Conclusion

The entry-level wages of the six occupations exceed the NCV/NML subregion's average living wage. There were 680 job postings in the past six months for occupations related to real estate in the subregion. Analysis of skills and certification requirements in job postings indicates:

- The top baseline skill is communication, and the top specialized skill is customer service.
- The top software skill is Microsoft Office.
- The top certification is a Real Estate Certification.

There is an undersupply of trained workers, a shortage of 366 in the NCV/NML subregion and 682 in the region.

Recommendation

Based on these findings, it is recommended that San Joaquin Delta College work with the Business and Entrepreneurship Regional Director, the college's advisory board, and local industry in the expansion of programs to address the shortage of real estate in the region.

Appendix A: Methodology & Data Sources

Data Sources

Labor market and educational supply data compiled in this report derive from a variety of sources. Data were drawn from external sources, including the Economic Modeling Specialists, Inc., the California Community Colleges Chancellor’s Office Management Information Systems Data Mart and the National Center for Educational Statistics (NCES) Integrated Postsecondary Education Data System (IPEDS). Below is the summary of the data sources found in this study.

Data Type	Source
Labor Market Information/Population Estimates and Projections/Educational Attainment	Economic Modeling Specialists, Intl. (EMSI). EMSI occupational employment data are based on final EMSI industry data and final EMSI staffing patterns. Wage estimates are based on Occupational Employment Statistics (QCEW and Non-QCEW Employees classes of worker) and the American Community Survey (Self-Employed and Extended Proprietors). Occupational wage estimates also affected by county-level EMSI earnings by industry: economicmodeling.com .
Typical Education Level and On-the-job Training	Bureau of Labor Statistics (BLS) uses a system to assign categories for entry-level education and typical on-the-job training to each occupation for which BLS publishes projections data: https://www.bls.gov/emp/tables/educational-attainment.htm .
Labor Force, Employment and Unemployment Estimates	California Employment Development Department, Labor Market Information Division: labormarketinfo.edd.ca.gov .
Job Posting and Skills Data	Burning Glass: burning-glass.com/ .
Additional Education Requirements/ Employer Preferences	The O*NET Job Zone database includes over 900 occupations as well as information on skills, abilities, knowledge, work activities and interests associated with specific occupations: onetonline.org .

Key Terms and Concepts

Annual Job Openings: Annual openings are calculated by dividing the number of years in the projection period by total job openings.

Education Attainment Level: The highest education attainment level of workers age 25 years or older.

Employment Estimate: The total number of workers currently employed.

Employment Projections: Projections of employment are calculated by a proprietary Economic Modeling Specialists, Intl. (EMSI) formula that includes historical employment and economic indicators along with national, state and local trends.

Living Wage: The cost of living in a specific community or region for one adult and no children. The cost increases with the addition of children.

Occupation: An occupation is a grouping of job titles that have a similar set of activities or tasks that employees perform.

Percent Change: Rate of growth or decline in the occupation for the projected period; this does not factor in replacement openings.

Replacements: Estimate of job openings resulting from workers retiring or otherwise permanently leaving an occupation. Workers entering an occupation often need training. These replacement needs, added to job openings due to growth, may be used to assess the minimum number of workers who will need to be trained for an occupation.

Total Job Openings (New + Replacements): Sum of projected growth (new jobs) and replacement needs. When an occupation is expected to lose jobs, or retain the current employment level, number of openings will equal replacements.

Typical Education Requirement: represents the typical education level most workers need to enter an occupation.

Typical On-The-Job Training: indicates the typical on-the-job training needed to attain competency in the skills needed in the occupation.