

**Program Endorsement Brief: 0511.00/Real Estate
Real Estate Lending and Mortgage Brokering Certificate
Real Estate Property Salesperson**
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 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 four middle-skill occupations: *property, real estate, and community association managers* (11-9141), *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 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.

Based on the available data, there appears to be a supply gap for these four real estate occupations in the region. Furthermore, approximately one-third of current workers in the field have completed some college or an associate degree and the majority of annual openings have entry-level wages that exceed the living wage in Orange counties. **Therefore, due to all the criteria being met, the COE endorses this proposed program.** Detailed reasons include:

Demand:

- **Supply Gap Criteria** – Over the next five years, there is projected to be **5,731 jobs available annually** in the region due to new job growth and replacements, **which is more than the 437 awards conferred annually** by educational institutions in the region.

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.

- **Living Wage Criteria** – Within Orange County, the **majority (63%) of annual job openings** for these four real estate occupations have **entry-level wages above the county's living wage** (\$17.36/hour).²
- **Educational Criteria** – Within the LA/OC region, **95% of the annual job openings** for occupations related to real estate **typically require a high school diploma**.
 - However, the national-level educational attainment data indicates **between 33.8% and 36.8% 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 and/or escrow, conferring an average of **415 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 throughout the region.

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for these four real estate occupations. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to increase by 4% through 2024. There will be more than 5,700 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.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties³

Geography	2019 Jobs	2024 Jobs	2019-2024 Change	2019-2024 % Change	Annual Openings
Los Angeles	41,723	43,663	1,940	5%	4,099
Orange	17,600	17,991	391	2%	1,633
Total	59,323	61,654	2,331	4%	5,731

² Living wage data was pulled from California Family Needs Calculator on 3/10/2021. For more information, visit the California Family Needs Calculator website: <https://insightcced.org/2018-family-needs-calculator/>.

³ Five-year change represents new job additions to the workforce. Annual openings include new jobs and replacement jobs that result from retirements and separations.

Wages

The labor market endorsement in this report considers the entry-level hourly wages for these four real estate occupations in Orange County as they relate to the county's living wage. Los Angeles 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.

Orange County— The majority (63%) of annual openings for these four real estate occupations have entry-level wages above the living wage for one adult (\$17.36 in Orange County). Typical entry-level hourly wages are in a range between \$16.87 and \$24.50. Entry-level wages for *property, real estate, and community association managers* are typically below the county's living wage; however, entry-level wages for *property appraisers and assessors, real estate brokers, and real estate sales agents* are above the county's living wage. Experienced workers can expect to earn wages between \$48.24 and \$71.27, which are higher than the living wage estimate. Orange County's average wages are above the average statewide wage of \$43.95 for these occupations.

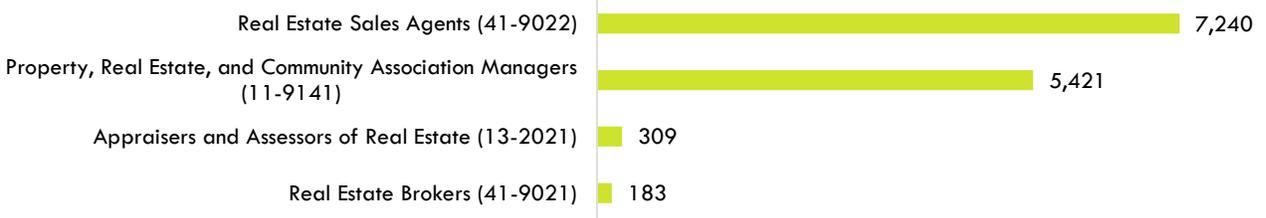
Los Angeles County— All of the annual openings for these four real estate occupations have entry-level wages above the living wage for one adult (\$15.04 in Los Angeles County). Typical entry-level hourly wages are in a range between \$15.37 and \$24.19. Experienced workers can expect to earn wages between \$45.27 and \$66.35, which are higher than the living wage estimate. Los Angeles County's average wages are below the average statewide wage of \$43.95 for these occupations.

Job Postings

There were 13,153 online job postings related to middle-skill real estate occupations listed in the past 12 months. Exhibit 2 displays the job postings by occupation. The majority of job postings (55%) were for *real estate sales agents*, followed by *property, real estate, and community association managers* (41%). Together, *appraisers and assessors of real estate* and *real estate brokers* job postings account for only 4% of middle-skill real estate job postings in the region. The more common job titles listed on postings were real estate agents, leasing consultants, property managers, assistant property managers, and community managers. The top skills were: property management, sales, budgeting, customer service, and leasing. The top three employers, by number of job postings, in the region were: Greystar, Berkshire Hathaway HomeServices California Properties, and Keller Williams Realty.

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.

Exhibit 2: Job postings by occupation (last 12 months)



Educational Attainment

The Bureau of Labor Statistics (BLS) lists the following typical entry-level education levels for the four real estate occupations in this report:

- **Bachelor's degree:** *property appraisers and assessors*
- **High school diploma:** *property, real estate, and community associate managers; real estate brokers; and real estate sales agents*

In the LA/OC region, the majority of annual job openings (95%) typically require a high school education. However, the national-level educational attainment data indicates between 33.8% and 36.8% of workers in the field have completed some college or an associate degree. Of the 40% of middle-skill real estate job postings listing a minimum education requirement in Los Angeles/Orange County, 56% (2,919) requested a high school diploma, 40% (2,111) requested a bachelor's degree and 4% (227) requested an associate degree.

Educational Supply

Community College Supply—Exhibit 2 shows the three-year average number of awards conferred by community colleges in the related TOP codes: Real Estate (0511.00), and Escrow (0511.10). The colleges with the most completions in the region are: Mt. San Antonio, Glendale, Saddleback, and East LA. 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	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	15	9	48	24
		Orange Coast	7	26	26	20
		Saddleback	23	17	108	49
		Santiago Canyon	5	23	10	13
OC Subtotal	57	84	202	114		
Supply Subtotal/Average			327	336	569	411
0511.10	Escrow	Saddleback	5	5	4	5
		OC Subtotal	5	5	4	5
Supply Subtotal/Average			5	5	4	5
Supply Total/Average			332	341	573	415

Non-Community College Supply—For a comprehensive regional supply analysis, it is also important to consider the supply from other institutions in the region that provide training programs for real estate occupations. Exhibit 3 shows the annual and three-year average number of awards conferred by these institutions 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, four-year colleges 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	4	7	7	6
		Univ. 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. Orange 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, Real Estate, and Community Association Managers (11-9141)	7,081	7,328	247	3%	600	\$16.87	\$29.19	\$48.24
Property Appraisers and Assessors (13-2021)	898	895	(4)	(0%)	71	\$24.50	\$37.19	\$50.86
Real Estate Brokers (41-9021)	2,708	2,750	42	2%	270	\$19.25	\$35.40	\$71.27
Real Estate Sales Agents (41-9022)	6,913	7,018	105	2%	691	\$18.59	\$29.62	\$51.47
Total	17,600	17,991	391	2%	1,633			

Exhibit 5. Los Angeles 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, Real Estate, and Community Association Managers (11-9141)	15,661	16,580	918	6%	1,412	\$15.37	\$27.08	\$45.27
Property Appraisers and Assessors (13-2021)	2,356	2,387	30	1%	189	\$24.19	\$36.66	\$49.99
Real Estate Brokers (41-9021)	6,411	6,686	275	4%	676	\$17.82	\$33.94	\$66.35
Real Estate Sales Agents (41-9022)	17,294	18,011	716	4%	1,821	\$17.27	\$27.83	\$50.70
Total	41,723	43,663	1,940	5%	4,099			

Exhibit 6. Los Angeles and Orange Counties

Occupation (SOC)	2019 Jobs	2024 Jobs	5-Yr Change	5-Yr % Change	Annual Openings
Property, Real Estate, and Community Association Managers (11-9141)	22,742	23,908	1,166	5%	2,012
Property Appraisers and Assessors (13-2021)	3,255	3,281	27	1%	260
Real Estate Brokers (41-9021)	9,119	9,436	317	3%	946
Real Estate Sales Agents (41-9022)	24,207	25,029	821	3%	2,512
Total	59,323	61,654	2,331	4%	5,731

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)

For more information, please contact:

Jesse Crete, Ed. D., Director
Center of Excellence, Orange County
crete_jesse@rsccl.edu

March 2021

