

**Program Endorsement Brief: 0511.00 – Real Estate
Real Estate Sales Certificate**

Los Angeles/Orange County Center of Excellence, October 2021

Summary Analysis

Program Endorsement:	Endorsed: All Criteria Met <input type="checkbox"/>	Endorsed: Some Criteria Met <input checked="" 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 type="checkbox"/>	No <input checked="" 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. 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 the three real estate occupations in the region. While more than one-third of current workers in the field have completed some college or an associate degree, the majority of annual openings for these real estate occupations have entry-level wages **below** the self-sufficiency standard wage for one adult in both Los Angeles and Orange counties. **Therefore, due to some 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 **3,154 jobs available annually** in the region due to new job growth and replacements, **which is more than the 530 awards conferred annually** by educational institutions in the region.
- **Living Wage Criteria** – In Los Angeles County, **the majority (65%) of annual job openings** for these real estate occupations have **entry-level wages below the self-sufficiency standard hourly wage** (\$18.10/hour).²
- **Educational Criteria** – In the LA/OC region, **93% of the annual job openings** for occupations of interest **typically require a high school diploma or equivalent**.
 - National-level educational attainment data indicates **between 33% and 36% of workers in the field have completed some college or an associate degree**.

Supply:

- Between 2017 and 2020, **21 community colleges** in the LA/OC region issued awards in real estate or escrow programs, conferring an average of **489 awards**.
- Between 2016 and 2019, non-community college institutions in the region conferred an average of **41 awards in real estate programs**.

Self-Sufficiency Standard wage data was pulled from The Self-Sufficiency Standard Tool for California on 10/18/2021. For more information, visit: <http://selfsufficiencystandard.org/california>.

Occupational Demand

Exhibit 1 shows the five-year occupational demand projections for the three real estate occupations of interest. In Los Angeles/Orange County, the number of jobs related to these occupations is projected to increase by 2% through 2025. There will be nearly 3,200 job openings per year through 2025 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 full impact of COVID-19 on projections of industry and occupational employment. Therefore, the projections included in this report do not take the full impacts of COVID-19 into account.

Exhibit 1: Occupational demand in Los Angeles and Orange Counties³

Geography	2020 Jobs	2025 Jobs	2020-2025 Change	2020-2025 % Change	Annual Openings
Los Angeles	25,398	26,161	763	3%	2,276
Orange	10,237	10,338	101	1%	879
Total	35,636	36,499	863	2%	3,154

Wages

The labor market endorsement in this report considers the hourly wages for the three real estate occupations in Los Angeles County, as they relate to the county's self-sufficiency standard 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 — The majority (65%) of annual openings for the real estate occupations of interest have entry-level wages **below** the self-sufficiency standard wage for one adult (\$18.10 in Los Angeles County). Typical entry-level hourly wages are in a range between \$15.78 and \$24.69. Experienced workers can expect to earn wages between \$48.37 and \$62.10, which are higher than the self-sufficiency standard wage.

Orange County — The majority (93%) of annual openings for the real estate occupations of interest have entry-level wages **below** the self-sufficiency standard wage for one adult (\$20.63 in Orange County). Typical entry-level hourly wages are in a range between \$16.72 and \$25.24. Experienced workers can expect to earn wages between \$48.72 and \$66.63, which are higher than the self-sufficiency standard wage.

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.

Job Postings

Over the past 12 months, there have been 8,856 online job postings related to the three real estate occupations of interest. The highest number of job postings were for real estate agents, leasing consultants, leasing professionals, leasing agents, and luxury real estate agents. The top skills were sales, leasing, real estate experience, property management, and customer service. The top employers, by number of job postings, in the region were Greystar, Keller Williams Realty, and Berkshire Hathaway HomeServices California Properties.

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 full 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.

Educational Attainment

The Bureau of Labor Statistics (BLS) lists a bachelor’s degree as the typical entry-level education for *property appraisers and assessors*; and a high school diploma or equivalent for *real estate brokers* and *real estate sales agents*. In the LA/OC region, the majority of annual job openings (93%) for the occupations of interest typically require a high school diploma or equivalent. National-level educational attainment data indicates between 33% and 36% of workers in the field have completed some college or an associate degree. Of the 34% of job postings listing a minimum education requirement in Los Angeles/Orange County, 57% (1,724) requested a high school or vocational training, 3% (87) requested an associate degree, and 40% (1,208) 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 Real Estate (0511.00) and Escrow (0511.10). The colleges with the most completions in the region are Mt. San Antonio and Saddleback. Over the past 12 months, there were four other related program recommendation requests from regional community colleges.

Exhibit 2: Regional community college awards (certificates and degrees), 2017-2020

TOP Code	Program	College	2017-18 Awards	2018-19 Awards	2019-20 Awards	3-Year Average
0511.00	Real Estate	Cerritos	14	17	12	14
		Citrus	13	17	4	11
		Compton	1	-	-	0
		East LA	56	65	27	49
		El Camino	7	21	22	17
		Glendale	42	63	39	48
		LA City	16	26	39	27
		LA Harbor	3	4	4	4
		LA Southwest	4	-	3	2

TOP Code	Program	College	2017-18 Awards	2018-19 Awards	2019-20 Awards	3-Year Average
		LA Trade-Tech	4	5	1	3
		LA Valley	14	14	23	17
		Long Beach	1	4	28	11
		Mt. San Antonio	61	107	87	85
		Rio Hondo	-	5	-	2
		West LA	16	19	14	16
		LA Subtotal	252	367	303	307
		Coastline	7	5	5	6
		Fullerton	2	5	3	3
		Irvine Valley	9	48	85	47
		Orange Coast	26	26	21	24
		Saddleback	17	108	114	80
		Santiago	23	10	18	17
		OC Subtotal	84	202	246	177
Supply Subtotal/Average			336	569	549	485
0511.10	Escrow	Saddleback	5	4	3	4
		OC Subtotal	5	4	3	4
Supply Subtotal/Average			5	4	3	4
Supply Total/Average			341	573	552	489

Non-Community College Supply — For a comprehensive regional supply analysis, it is important to consider the supply from other institutions in the region that may provide training programs for the occupations of interest. Exhibit 3 shows the annual and three-year average number of awards conferred by these institutions in Real Estate (CIP 52.1501). Due to different data collection periods, the most recent three-year period of available data is from 2016 to 2019. Between 2016 and 2019, non-community college institutions in the LA/OC region conferred an average of 41 awards.

Exhibit 3: Regional non-community college awards, 2016-2019

CIP Code	Program	Institution	2016-17 Awards	2017-18 Awards	2018-19 Awards	3-Year Award Average
52.1501	Real Estate	CSU-Los Angeles	-	2	-	1
		Learnet Academy	7	13	-	7
		USC	17	37	46	33
Supply Total/Average			24	52	46	41

Appendix A: Occupational demand and wage data by county

Exhibit 4. Los Angeles County

Occupation (SOC)	2020 Jobs	2025 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)	2,159	2,140	(19)	(1%)	160	\$24.69	\$37.86	\$51.77
Real Estate Brokers (41-9021)	6,870	7,115	245	4%	629	\$18.38	\$32.23	\$62.10
Real Estate Sales Agents (41-9022)	16,370	16,905	535	3%	1,487	\$15.78	\$27.73	\$48.37
Total	25,398	26,161	763	3%	2,276			

Exhibit 5. Orange County

Occupation (SOC)	2020 Jobs	2025 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)	834	806	(28)	(3%)	60	\$25.24	\$38.80	\$53.46
Real Estate Brokers (41-9021)	2,953	3,000	47	2%	261	\$20.00	\$33.87	\$66.63
Real Estate Sales Agents (41-9022)	6,450	6,532	82	1%	558	\$16.72	\$28.76	\$48.72
Total	10,237	10,338	101	1%	879			

Exhibit 6. Los Angeles and Orange Counties

Occupation (SOC)	2020 Jobs	2025 Jobs	5-Yr Change	5-Yr % Change	Annual Openings	Typical Entry-Level Education
Property Appraisers and Assessors (13-2021)	2,992	2,946	(46)	(2%)	220	Bachelor's degree
Real Estate Brokers (41-9021)	9,823	10,115	292	3%	889	High school diploma or equivalent
Real Estate Sales Agents (41-9022)	22,820	23,438	618	3%	2,045	High school diploma or equivalent
Total	35,636	36,499	863	2%	3,154	

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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