Real Estate

Breaking Into the Real Estate Business

One of the most complex and important financial events in people’s lives is the purchase or sale of a home or investment property. Because of its complexity and importance, people usually seek the help of real estate brokers and sales agents when buying or selling real estate.

Real estate brokers and sales agents have a thorough knowledge of the real estate market in their community. They know which neighborhoods will best fit clients’ needs and budgets. They are familiar with local zoning and tax laws and know where to obtain financing. Agents and brokers also act as intermediaries in price negotiations between buyers and sellers.

Career Fields within Real Estate

Job opportunities in the real estate industry are divided into four distinct fields: sales, management, development, and acquisition and analysis. Although crossover among these sectors is possible, most people start out specializing in a specific area.

**Sales and Leasing:** This segment includes everything from residential real estate brokers to larger corporations that broker bigger commercial properties such as office towers.

**Management:** Property managers are responsible for maintaining property values. They deal with tenants, manage finances, and physically tend to the property.

**Development:** Developers are responsible for taking a property idea and making it a reality. This is a complex process involving architects, engineers, zoning officials, builders, lenders, and prospective tenants.

**Acquisition and Analysis:** Any kind of investing in real estate requires a thorough understanding of how to analyze the value of a property and navigate the maze of land-use regulations, zoning laws, environmental impact reports, financing realities, and other barriers to buying and developing a property. The people who develop, market, and manage REITs and other real estate investments are financial types, who are charged with evaluating and arranging for the purchase of properties.

### FAST STATS

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<td>Average Earnings for</td>
<td>$53,100</td>
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<td>Real Estate Agents</td>
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<td>Average Earnings for</td>
<td>$78,360</td>
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<td>Real Estate Brokers</td>
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From: www.bls.gov/oes

Skills
- Personable
- Excellent written and oral communication skills
- Negotiation skills
- Honesty
- Motivation
- Analytical skills
- Organizational skills
- Detail oriented
- Good memory
- Knowledge of market

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Job Titles in the Real Estate Industry

Residential Real Estate Agent/Broker
Real estate agents and brokers are usually independent sales professionals who contract their services to real estate brokers in exchange for a commission-sharing agreement (normally six percent). There are over 400,000 real estate brokers and agents in the United States. To become an agent or broker you must pass a written test on property laws and real estate transactions. Most states also require 30-90 hours of classroom training.

Commercial Real Estate Sales
Commercial property brokerage offices use sales associates who market office buildings, hotels, and many other types of commercial real estate for brokers. Commercial real estate sales people usually specialize in a particular property type such as apartments, retail, office, hospitality, shopping centers, or industrial plants.

Appraiser
Real estate appraisers provide unbiased estimates of a property’s value and quality. Appraisers usually work for banks or for appraiser firms and will normally value properties by finding comparable sales in an area or by estimating the discounted value of cash flows expected from a property. This profession is less cyclical than real estate brokerage because appraisers are required when homes are refinanced—a time historically when the real estate market has been slow.

Property Manager
Leading real estate owners require professional property managers. Managers are responsible for negotiating leases, ensuring that tenants are satisfied, that rent is paid and that rents reflect market conditions. The career of property manager requires good interpersonal and analytical skills and a fair amount of negotiating prowess. This job is personally rewarding and allows managers to learn the real estate markets should they wish to embark in business on their own. Their training programs include the Certified Property Manager (CPM) and Accredited Residential Manager (ARM) designations.

Developer
Are you willing to work hard and take risks to develop new properties? Then a career in real estate development may be for you. You can enter this business working for another developer, moving up to construction manager, or you can strike out on your own, starting with some smaller transactions. Good developers are results-oriented and know how to get work finished on time, which involves managing labor, establishing time estimates, and getting appropriate equipment operators and construction crews.

Real Estate Websites

General Resources
Vault, Career Insider Guides http://www.wfu.edu/career (*must use your WFU email to access)
Vault, Career Insider – Vault Career Guide to Real Estate
Vault, Career Insider – Vault Guide to Top Real Estate Employers
Wetfeet Careers & Industries http://wetfeet.com
Overview of the real estate industry and careers within the field.
Occupational Outlook Handbook, Bureau of Labor Statics
http://www.bls.gov/oco/ooh_index.htm
National Association of Realtors www.realtor.org
Real-Jobs www.real-jobs.com
Job opportunities in real estate
American Real Estate and Urban Economics Association (AREUEA) www.areuea.org
Academics interested in real estate

Commercial/Development
Real Estate Job Store www.realestatejobstore.com
Commercial real estate job opportunities
The National Association of Industrial and Office Properties (NAIOP) www.naiop.org
Trade association for developers, owners and investors in industrial, office and related commercial real estate; job postings
Housing Zone www.housingzone.com
Lots of information and articles for builders and real estate agents
National Association of Home Builders www.nahb.org
This professional organization represents property developers and is a good source of information about the industry.
Society of Industrial and Office Realtors www.sior.com
Certified Commercial Investments Member www.ccim.com
Certificate designates expertise in commercial and investment real estate

Contractors/Construction
Associated General Contractors of America www.acg.org
Construction Managers Association of America http://cmaanet.org
Construction managers are responsible for organizing and managing a construction job. This association provides information on who is in this field and how to break in.

Property Management
Institute of Real Estate Management www.irem.org
Trade association for property managers; job postings

Investment/Mortgage
National Association of Real Estate Investment Trusts (NAREIT) www.nareit.com
Tracks goings on in one of the most dynamic sectors of the real estate business
Mortgage Bankers Association of America www.mbaa.org
Focuses on mortgage banking, the mortgage-backed securities market and loan services; job postings

Appraisal
Appraisal Foundation www.appraisalfoundation.org
Great student section with general info about getting started as an appraiser