

Real Estate Advisory Board Meeting

Minutes

10/25/2018

3:30 – 5:00 p.m.

Kentfield Campus, AC 303

Attendants include:

Alex Jones,
Corina Rollins,
Cari Pace,
Gary Oswald,
Elizabeth Pratt,
Joshua Szarek,
Will Coley,
Jamelia Carson

Welcome and Introductions –

In a round table style, everyone introduced themselves and what they do.

Heather Rahman explained that the COM mission embraces diversity and values equity building. The RE program is focused on the students and their education with the goal to build the skills needed in today's market. She shared a couple of abbreviated labor market information reports to discuss later in the meeting, and she offered to send labor market information via email after the meeting.

Why we were meeting -

Beth Pratt explained why we have Advisory Committee meetings. It's for the benefit of CTE education programs, and Advisory Committee/Meetings are required component. This is embedded into the accreditation and education code. Meeting with people in the industry is a way to show our programs continue to be relevant, the current curriculum is needed, and that we teach the skills students will need when entering into the profession.

We are required to discuss with business partners how we can enhance the education of our students.

What we hope to get out of our meeting is to gain guidance on ways to improve our program, whether we need to introduce for our students to internships or potential work experiences, or improve our curriculum. We would like your feedback from those who are out in the industry and have professions. Your shared information will help us continually improve our programs so our students will be successful.

History of the Real Estate Program at COM -

Corina Rollins spoke about her knowledge of the history of Real Estate at COM after she was asked in August 1986 to join COM as a teacher of "self-paced" Real Estate class. Upon an instructor's leaving, she ended up lecturing for part of the semester. Over time, many adaptations were made in the RE program with live classes becoming the primary focus for real estate classes. Later, the first Advisory Committee was impaneled but it didn't continue in later years. This is at a time when computer programming was developing. Over the course of time, the curriculum basics stayed the same, but the implications of the courses changed significantly. In 1977, students didn't need to take classes to become licensed. By 1978, one class was required, then 2 by 1980 until the present. Now 3 courses are required for sales licensing and 8 for broker licensing. After the great recession, more classes in real estate became essential with licensing extending to mortgage brokers on a Federal & State level.

Real estate appraising has required specific classes and State exams since 1992. The appraiser requirements were modeled after the licensing of accountants. The education requirements failed to account for existing Real Estate sale courses, so a major review and re-aligning of course content was required to meet appraiser educational requirements. Corina worked with the State to show basic classes were only needed and that they could cover the required topics to meet the exam and federal requirements for RE appraisal licensing.

For the appraising pathway we do not have enough students at College of Marin for the required 15-hour class in the Uniform Standards of Professional Appraisal Practice (USPAP). This semester with outreach from a southern CA Community College, and with Corina proctoring the exam for our local students, we hope to make it available. As only certified instructors can teach this course, or proctor the exam, this will benefit our students as she is a certified instructor of the course.

According to Corina, many students who cannot pass the salesperson or broker exams after taking online courses, will retake the courses at COM to obtain live class instruction. This has helped students to pass their exam. 5 of our students passed the salesperson's exam in just the last few weeks. Hybrid courses could help.

What COM Real Estate program currently offers -

Jamelia Carson spoke about the RE degree and different certificates students can achieve.

COM has a wide variety of courses to choose from. An advantage is that the coursework is transferrable, and an Associate degree is possible. We also offer 2 different certificates. One is a certificate of achievement which requires more college units. Skills certificates are available for those not wanting to take as many classes and only require 3 courses. Curriculum of 12 units or more are required for the Certificate of Achievement, whereas, 9 units make up the curriculum for the skills certificate.

16 courses exist that DRE has approved that allows students who successfully complete 8 of them to take to the brokers exam with just 3 required for the salesperson's exam. COM offers 12 of these courses.

Instructors are always trying to stay on top of the current department of Real Estate changes and expectations. Jamelia specifically will ask student to listen to certain podcasts that help them to have the most current information.

Once a year the California Community College has a RE conference in South CA and once in North CA. Jamelia, Cari and Corina usually go to the North conference which is held in the Spring.

We are looking to add the DRE approved course that covers CIDs, Common Interest Developments. Usually an HOA is involved with these properties. Cari says there are a lot of restrictions buyers are sometimes not aware of until after they purchase property. Other colleges offer CID, but there are very few. The Davis Sterling Act is very complicated and governs CIDs in CA. whether they are complexes of 2, 3, 4 or even 100 units. Gary stated there is a lot of people taking advantage of these home owners many of whom do not understand the requirements and rights that come with owning a CID.

Conflict Resolution is another course we'd like to introduce to COM RE program. This would include mediation and negotiation as alternatives to court actions.

Furthermore, Jamelia also mentioned a class on license requirements that could help students going into the profession.

Every course can meet the requirements for continuing education. The students must fill out a form and submit it themselves to the DRE. The instructors are communicating this to the current students, so they know they can come back to take courses to become brokers and, at the same time, meet some of their continuing education requirements. Marketing classes are another area that could be useful to help students be successful in a real estate career.

Jamelia stated everything currently offered can be found at <http://marin.org/realestate>

Labor Market Information -

Heather Rahman touched briefly upon the job postings/year tracked since September 2016, the region the reports cover (counties include Marin, Solano, Sonoma, Napa and San Francisco), the occupations the reports cover, the average pay for such occupations, and that the industry for the region is aligned with Real Estate labor demands across the country. The information was pulled from EMSI (Economic Modeling System International). The data includes self-employed by what is reported in taxes. However, many real estate agents report their full time jobs as some other industry, and their secondary part-time would be in real estate.

Conversation about what could enhance the program -

Every course can be used for continuing education requirements. The student must file the paper work and a copy of the syllabus to the DRE to show they met the requirements. These courses don't have a CE number but all can be used for both basic and continuing education by filing the respective application.

Joshua owns a S Corp in California and another company, a dba, *doing business as*. From a tax perspective the S Corp saves money every year. Through his companies he has learned too many people going into real estate have no idea the work involved. They are attracted by the payout if they make a

sale. He teaches reality courses that have teeth including common sense 101 course, buyers basic course and a sellers basic course. Only top successful agents are retained at the company he works for as others are weeded out over time. They are either acquired or recruited into Joshua's program at Compass. The agent only gets hired if Joshua does the training through his course work.

Alex asked questions regarding internships for this industry. Gauging the internship parameters, Alex asked what would work and what wouldn't? What expectations do the professionals have for students? The two core courses should be completed before entering any internships. Multimedia skills are needed because social media marketing is one of the essential skills needed. Without the license, the intern cannot work with the public. Most jobs will be forms and administration tasks. Job shadowing is an option, and it is doable. Agents have to be cautious, because students cannot interact with the customers. However, once you have a license, they will be able to interact with customer. Not a lot of agents want to train, and consider this field as an individual sport. Too many agents are practicing and still do not **HAVE** a lot of knowledge of what it really takes to be successful.

Jamelia's goal is for the student to be prepared to begin real estate right away upon successfully passing the state exam.

Discussed if incorporating XR into real estate studies would help. Everyone thinks this is an interesting and cool concept to consider. It can be applied to enhance marketing. This might be a way an intern can help existing agents.

Alex asked if the internships were defined by specific parameters to include what the expectations and limits would be, would more offices want to hire? Maybe not, because of the competitiveness in the industry. Often agents do not want to train. This is a very hard idea to sell. Cari stated that some internships which seem to work were arranged for the student where he/she would only get paid if they helped create earnings for the company they work for, and if they do not, then no one is earning. Or, it could work if the student made a commitment that he/she would join the brokerage once licensed.

Beth suggested that our Real Estate program has created a good deal of alumni where we could maybe count on this pool for internships.

What percentage of students getting the AS degree also obtain their license? Maybe 15% of the students. Corina stated many students seem interested in investing for themselves. Jamelia stated most of her students are going forward to get the license. They do not, necessarily, care about the certificates. Many students do not see any value in the certificates if they already have their license.

Beth and Will reminded the group that COM is measured with completions, and the students often leave the college before finishing. COM is making the certificates very easy to obtain in order to capture those metrics.

Will spoke about the fact that the educational numbers and employment numbers do not align and are hard to track in RE for reporting. Discussion continued about when a RE is an independent contractor and how employment is counted when so many RE agents also have other employment.

Is there misuse of 1099 tax by Realtors? Corina says not really, because the 1099 was originated without including Real Estate. Even now it is murky. Even though realtors are working under a brokerage, they will be required to classify as an independent contractor. Brokerages do not want to classify themselves

as an employer although for licensing purposes all agents working for them are employees even though for tax purposes they are independent contractors.

The labor market information supports and measures in the direction of what we know as a Gig Economy. This is a field that doesn't often offer employment benefits as other occupations provide. The field is mixed with students with other majors too such as Business students. We see a lot of students piggy backing to expand their options.

The skills students gain through COM are transferable in many fields outside of Realty. Will, Jamelia, and Corina speak about how to gauge the students likely to be most successful for an internship. Internship is a best indicator for measuring employment of the students. Seems like the internship could be best offered after a number of classes are taken in order to know what area of real estate a student is gravitating towards.

Cari said maybe it's a good idea to give a student a reality video such as "A Day in the Life of a Licensee" - video or Virtual Reality experience so they get a real idea of what the experience could be like. Beth is seeing a difference in demographics a bigger span of types of students in RE vs other Business classes. However, we're seeing younger students each year in Real Estate.

Beth asks: What additional skills should the real estate students need to pick up through education? What's a gap? Someone said communication.

Cari Pace's foundation skills list:

- Prospects, and network
- Selling yourself
- Knowing the inventory of properties
- Guiding the paperwork
 - Following through
 - Understanding contingencies
- Managing the transactions and risks
- Running your own business
- Marketing aligned with the brokerage.

Joshua added:

- All agents should start as a buyers' agent.
- Time and task management
- Common sense
- Communications
 - Language of sales – tie down to secure meetings
 - Active listening and open ended questions

The meeting adjourned at 5 p.m.