

Advice » Job Hunt Strategy » Company & Industry Research » Is Now the Time to Get ...



## Is Now the Time to Get into Real Estate Sales?

By John Rossheim, Monster Senior Contributing Writer

Aspiring real estate salespeople tend to be a bit like investors chasing after performance: When the market is riding high, people pile on in droves, whether they're buying stocks or taking the real estate [licensing exam](#). Then they're unpleasantly surprised if, just a year or two later, the market tanks and their portfolios sink or, in the case of real estate agents, the job of selling houses gets a whole lot harder.

Which raises this question: Could it actually make sense to get into real estate sales when the housing market is nearing a low, so you're ready to ride the next up cycle? In other words, does it make sense to get into real estate at the bottom?

### Existing Home Sales Seen Declining, Then Rising

To answer that question, first let's take a look at where the US housing market stands.

[Sales of existing homes](#), which declined more than 15 percent from 5.65 million in 2007 to 4.91 million in 2008, are expected to rise slightly to 4.98 million in 2009 and then rise again to 5.43 million in 2010, according to [National Association of Realtors](#) projections. These predictions come on the heels of a precipitous drop of 12.8 percent in sales of existing homes from 2006 to 2007.

Although the market might have bottomed out, downside risks still exist. For example, the subprime mortgage business is in crisis, after lenders made too many loans to homeowners who are now unable to make rising payments. With foreclosed properties flooding the market, the downward pressure on prices could make it difficult for real estate agents to close deals, as sellers resist offers that reflect reduced market values.

### The Job Is Tougher Than It Was a Few Years Ago

Many of the nation's real estate salespeople have entered the occupation over the past several years, so this is their first experience with a market where houses don't necessarily sell themselves. To be sure, things were simpler for real estate agents in the heady early 2000s.

Back then, "if you were lucky enough to get listings, all you had to do was get out of the way," says Mike Silvas, owner of Morgan Lane, an 11-office real estate brokerage in Northern California. "In a challenging market, you've got to have the business skills and apply them consistently."

Esther Muller, a New York City real estate broker, also emphasizes the need for superior business skills. "I think that if you are a true entrepreneur and extremely professional, and you have a great sphere of influence and a good business background, it is a perfect time [to enter real estate sales]," she says. "The challenge in New York is that there are 66,000 agents here."

### Rocky Market Requires Greater Skill Set to Succeed

The current environment raises the bar on skills for real estate agents.

"A lot of the new people in the market don't know how to sell in this market cycle," says Richard Gollis, a principle with the Concord Group, a California real estate consulting firm. "This market requires a better understanding of how buyers and sellers relate, and that's where experience comes in."

What kind of business skills are Silvas, Muller and Gollis referring to?

- Addressing the psychology of buyers and sellers.
- Negotiating.
- Understanding the ever-growing mix of financing options.
- Smoothing the inevitable bumps along the way to the closing.
- Closing the deal -- on the listing and on the sale.

Another approach to a challenging market is to distinguish yourself from most of your competition by specializing.

"You can develop a [niche](#): a certain type of property or a certain kind of buyer or seller," says Blanche Evans, editor of [Realty Times](#) and author of [Bubbles, Booms and Busts](#). "Speaking Spanish is a great advantage in some markets. Or if you play golf, you could specialize in golf-course communities."

Muller has the last word on what it means to start selling houses in a down market. "Entering the real estate profession is much too easy," she says. "But it's a very challenging profession to stay in."