

## Real Estate Program Review 3/21/18

The mission of this program is to challenge students of every background to develop their intellect, character, and abilities, achieve their educational and vocational goals in Real Estate. The focus of the program is to help students acquire the skills and knowledge they will need to help them attain jobs in the California real estate industry or utilize their skills in investing in the California real estate market.

The industry in California has leveled off for the time being. As of November, 2017, there has been a slight uptick in licenses in the state with 418,542 real estate broker and sales licenses in California in November 2017, up from 411,760 in November, 2016. (Source: California Bureau of Real Estate, March 2018)

As mentioned in the last program review report, there are two drivers of the industry change. Technology has impacted how real estate is listed, sold, appraised and financed. The entire profession has lost positions due to electronic listing, loan qualifying and appraisal. Second, California has seen a leveling off of building due to cost, environmental and related factors.

Despite these changes, it is thought by many industry experts, that because the cost of real estate transactions in California is so high, with substantial risk in the purchase and sale of property, that there will always be a part of the industry that is served by licensed professionals who know how market, sell and purchase real property.

Our advisory board continues to recommend we focus on the core courses that prepare a student for a license, while providing solid consumer education for those looking to learn about real estate in California.

While enrollment is down slightly (1.3%) from five years ago with 522 students in 2016-17 compared to 530 in 2012-13, the 2017 enrollment is up almost 7% from the previous year when enrollment was 489. Moreover, the program's productivity has improved from 565 in 2015-16 to 650 in 2016-17. Enrollment tends to be tied to the economy to a great degree in this program and as of late, the real estate market in the Santa Clara Valley has been very strong. And it should be noted that the program not experiencing the college's enrollment decline over the past several years.

We follow the California Bureau of Real Estate regulations for licensure for brokers and agents, and must stay abreast of changes from that body. There have been no significant regulatory changes for licensure over the past two years.

This remains consistent with the current year of reporting (2017-18)

Our targeted population has increased slightly from 121 in 2015-16 to 134 in 2016-17. This continues a three year trend of increasing enrollments by targeted groups.

After a year where our targeted population succeeded at a 62% rate in 2015-16, the success rate returned to the more historical rates of 51% in 2016-17. This was despite a new focus on identifying students where English is their second language who struggle with some of the terminology of the discipline. Part of our discussions in Spring will include assessing other approaches, including early testing and taking advantage of any possibilities in the Student Success Center for helping students who struggle.

We have noted that the highest failure rate is associated by age - students who are younger than 25 succeed at a rate of 47%, while those over 25 succeed at over a 70% rate. We believe that often younger students find the objectives of the program are at odds with what they are interested in - and the failure rate and drops seem to bear that out.

We plan to continue early assessment; we hope to engage the Student Success Center - but most important, particularly for the younger students, be very clear about expectations in the first two weeks of the term.

We continue to implement the early identification of skill deficiencies in our classes and spending more time the first part of the term defining course expectations and approaches in covering the material

It remains the case that because the program is taught entirely by part-time instructors and has virtually no administrative cost, and because the economy has reduced traditional demand for the program, the Real Estate program is often discussed as a program that can be eliminated. However, its flexibility in terms of course offerings and faculty, combined with its productivity along with being an excellent elective program for Business majors should continue to make it a viable program. Moreover, the Real Estate Department serves the mission of the college as part of its CTE program.

We plan on requesting funds to attend the semi-annual real estate educators conferences sponsored by the California Bureau of Real Estate – those should be minimal conference costs of less than \$500.