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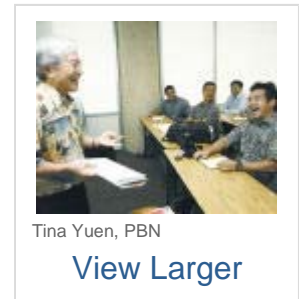
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Real estate classes lure students, even as housing market softens

Pacific Business News (Honolulu) - by [Linda Chiem](#) Pacific Business News

Henry Oh admits he gets bored easily, despite working 9 p.m. to 4 a.m. most nights for a security services company, which takes him to a slew of different nightlife venues every week.

While he loves his job as director of security for **Arriaga & Associates Inc.**, which contracts out security personnel for concerts and club events, he wanted to tap into the lucrative real estate business by studying to become an agent. He intends to work in real estate part time to pull in extra income.



Oh is one of hundreds of would-be real estate agents creating a huge demand for Hawaii's real estate schools.

Oh, 30, is taking pre-licensing classes with long-time Honolulu Realtor Abe Lee. The 60-hour course costs \$450, with students attending classes three nights a week for five weeks. The curriculum ranges from real estate laws and property management to listing and contract information.

Abe Lee Seminars attracts as many as 500 students a year, who range from recent high-school graduates, to accomplished professionals looking for a side job, to retirees who want to get back into the game.

Many just want a better understanding of their mortgages and have no intention of taking the test to become a licensed real estate agent. They just want the knowledge, Lee said.

"I think all people, whether they're buying or selling, take my class because many have no idea what to expect," he said. "They just do whatever the Realtor tells them so it's very much like the blind leading the blind."

Students who expect to become actual real estate agents, and even brokers, are not deterred by the state's gloomy economic outlook and the subprime crisis that has hurt the Mainland housing market. They see a grand opportunity to make money, especially in a market like Oahu where the median home price hovers around \$600,000.

With agents earning as much as 6 percent commission on a sale, it's easy to see the allure.

"Hawaii is such a network, and I think with my job it'll be easier to build contacts, and there is such an opportunity out there," Oh said. "Yeah, I see everything is down, but I think we just have to wait it out and it'll get better."

Annual salaries for Hawaii real estate agents average \$54,350, while salaries for real estate brokers average \$80,230, according to the U.S. Bureau of Labor Statistics.

The state Department of Commerce and Consumer Affairs' Real Estate Commission reports some 40 real estate schools across the state and approximately 20,000 licensed real estate agents or brokers.

Real estate schools run by large commercial brokers also are seeing heavy traffic. **Coldwell Banker Pacific Properties**, which launched its Kahala school about six years ago, last month opened a Kailua location that is offering classes beginning this week. Tuition is \$600.

Tracy Bradley, Coldwell's regional vice president of sales, told PBN she actually sees the slowing economy as the ultimate training ground for buyers and sellers.

Building a foundation

"We're about teaching people a solid foundation on how to generate business and we're working with them so that they're not dependant solely on external variables -- like, if it's a good market they do well, and if it's bad then they do poorly," she said. "It isn't like five years ago where it was a flying market that was moving so fast that you walked into deals."

Both Lee and Bradley say it is very difficult to succeed in real estate purely on a part-time basis. It's especially challenging to juggle a full-time career on top of it.

Bradley describes it as "just shooting yourself in the foot," while Lee is much more blunt.

"I flat out tell them, 'Most of you will not be in real estate or won't last the first year,'" he said. "Most are just testing the waters, and I'm worried a little bit that the luster of making money drops for them."

He said new agents should begin with at least six months' worth of living expenses and an additional \$3,000 in startup costs such as licensing fees and marketing materials.

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