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HOW TO BECOME A REAL ESTATE

Agent in 5 Easy Steps

If you're looking for a career with solid pay and a reasonably good job outlook, real estate delivers. Plus, working as a real estate agent can give you flexibility with your schedule and a chance to help peoples' dreams come true. Many real estate professionals find the career both rewarding and enjoyable.

But you can't just jump into this career path. Every state across the country has specific parameters regarding who can work in real estate. You'll generally need to meet certain criteria, plus do some extra schooling and testing, in order to get properly licensed by your state.

It will probably be well worth the work, though. The Bureau of Labor and Statistics reports that the average real estate agent across the country brings home north of $51,000 each year. And since people will always need places to live, real estate definitely offers some job security.

If you're interested in learning what it takes to become a real estate professional, you've come to the right place. Here are the five easy steps you need to take.

STEP ONE: UNDERSTAND YOUR STATE'S REQUIREMENTS

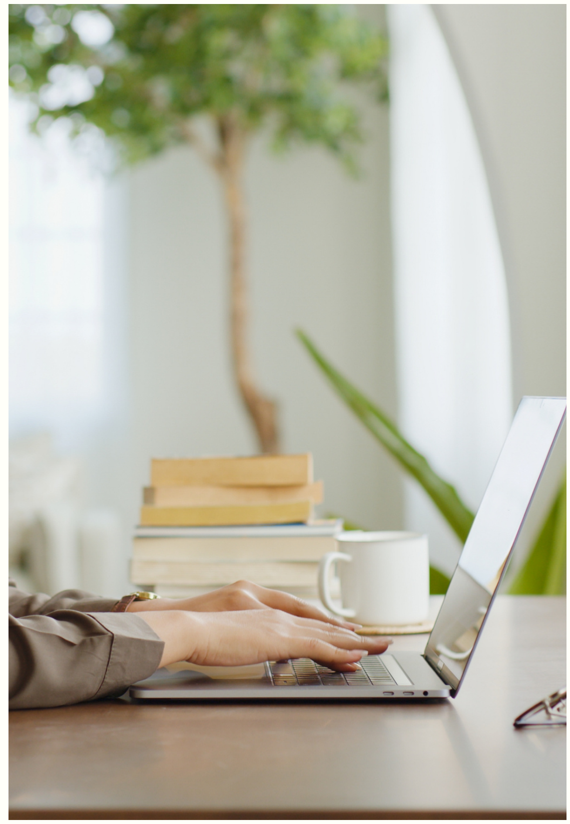
STEP TWO: ENROLL IN A REAL ESTATE PRE-LICENSING COURSE

STEP THREE: PASS THE REAL ESTATE SALESPERSON EXAM

STEP FOUR: ACTIVATE YOUR LICENSE

STEP FIVE: JOIN A BROKERAGE

STEP ONE: UNDERSTAND YOUR STATE'S REQUIREMENTS



First up, it's time to figure out which state agency issues real estate licenses. It will probably be called something like the Department of Real Estate or Real Estate Commission. If you google "real estate license [state name]," the relevant state agency should be one of the top search results.

To help you double-check that you're getting info from the right source, cross-reference the website you find with this list from the Association of Real Estate License Law Officials (ARELLO). It lists each state with their relevant real estate license-issuing agency.

Once you figure out which state group you're going to need to work with to get your real estate license, look into their requirements for licensure. And make sure you're looking at the right license type. In most states, the starter license level is called a salesperson, sales associate, or sales agent license, and you become eligible for a broker license after 1-3 years as a salesperson. But it differs from state to state. Oregon, for example, calls the beginner license level a broker, while the higher license level is called a principal broker.

Each state sets its own regulations for the starter real estate license, but you'll generally need to:

- Be at least 18 years old
- Have earned a high school diploma or equivalent
- Have a Social Security Number (SSN) or Individual Tax Identification Number (ITIN)

Beyond that, many states require a relatively clean criminal record. Since people are probably going to be giving you the keys to their homes and having you handle one of the biggest financial transactions of their lives, they want to be able to trust you. Confirming that you don't have a criminal past — particularly one with financial misdoings — is your state's way of making sure you're someone who won't take advantage of that trust.

Even if you can tick all of the boxes your state requires, you're still not a shoo-in for a real estate license. But don't worry. You just need to complete some to-dos, and we'll walk you through them.

STEP TWO: ENROLL IN A REAL ESTATE PRE-LICENSING COURSE

Most states require prospective real estate agents to take some classes. This ensures that you're informed about the real estate market, and you have the basic know-how required to help with real estate transactions.

Fortunately, you won't need to go back to school to meet this education requirement. Instead, state agencies require potential licensees to take a certain number of pre-license course hours. So instead of re-enrolling in school, you just need to find an education provider who offers pre-license courses.

You should check for two things here:

- First, make sure the education provider you choose has been approved by your state real estate agency. If you don't, you could take hours only to find out they won't count toward your licensure.
- Secondly, look for courses that will meet all of your required hours.
- How many hours do you need, exactly? That depends entirely on your state. To give you an idea of what to expect, we pulled requirements from a few states:
- Alabama requires 60 hours
- Florida requires 63 hours
- Michigan requires 40 hours
- Oregon requires 150 hours
- Texas requires 180 hours

Clearly, there's a pretty big variance here. Texas requires more than four times as many hours as Michigan, after all. You don't want to try to get your license only to find out you're short on school, so make sure you confirm your state's pre-license hours requirement.

The good news? Many states allow you to take your real estate license hours online, and some providers offer them on-demand, too. That means you don't necessarily need to take time away from your current job, schooling, or other day-to-day demands to complete the required hours. As long as you can find a few free hours each week, you can chip away at this requirement.

STEP THREE: PASS THE REAL ESTATE SALESPERSON EXAM

You need to do more than simply check a box saying you've taken a certain number of pre-license hours. Your state wants to make sure you actually learned something during those hours. To do that, they require you to pass an exam.

Usually, you'll need to apply to take your state's exam. Check with your state agency about the proper sequence of events. In many cases, you'll need to complete your pre-license education, then send in an application (and, usually, an application fee) to sit for the real estate salesperson exam.

Most states hire out to a testing company — like PSI or PearsonVUE — to proctor the exam. And most testing companies offer some kind of candidate bulletin to give you a rough overview of what to expect during your test. In most cases, the exam gets administered as multiple-choice questions.

The best way to get ready for your real estate salesperson exam is to take practice exams. This will give you a feel for what to expect as far as format and the categories on which you'll be tested.

If you're nervous about taking your state's real estate exam, completing a prep course can help. You'll get to take plenty of practice tests that way, so when the time comes to sit for the actual exam, you feel comfortable with the format and the topics.

STEP FOUR: ACTIVATE YOUR LICENSE

Again, this will vary depending on your state. If you had to apply to sit for the real estate exam, simply passing the exam might be enough for your state to issue you a real estate license. But in other states, you'll need to submit more paperwork after you pass the exam to tell the state agency that you're eligible for licensure.

In most cases, you'll need to pay an application fee in order to get your license approved and activated by your state agency, so be ready for that.

Consider becoming a Realtor®

Becoming a real estate agent doesn't automatically make you a Realtor. In order to get that title, you need to become a member of the National Association of Realtors (NAR). That means joining a local Realtor organization, paying a membership fee, and adhering to the NAR's Code of Ethics.

STEP FIVE: JOIN A BROKERAGE

Last up, you need to find a brokerage to join. When you have salesperson/sales associate/sales agent license (basically, the starter real estate license level), you need to be supervised by a real estate broker. Basically, this is like finding an employer.

Usually, in order to fully activate your real estate license, your supervising broker will need to sign a form that gets submitted to your state agency to confirm that they're willing to bring you into their brokerage.

If you really want to work independently, look into your state's broker license (or, in Oregon, principal broker) requirements. Usually, with a few years of experience under your belt, a little more online education, and another exam, you can get a broker license so you can strike out on your own.

MAINTAINING YOUR REAL ESTATE LICENSE

Getting your real estate license isn't a one-and-done thing in most states. You usually need to take some steps to renew your license on a periodic basis. Again, you'll need to look into renewal requirements for your specific state.

In most states, renewing is pretty straightforward. You need to complete some continuing education (which you can also do online), submit a renewal application, and pay a renewal fee.

Long story short, getting your real estate license requires a decent amount of work. But it sets you up for a rewarding career, a flexible schedule, and a solid salary.

At the end of the day, it all comes down to understanding what your state requires to issue — and renew — a real estate license. Meeting with someone who already works in real estate can help you get a feel for what you need to do, but make sure you adhere to the specific requirements in your state. When you do, getting your license should be a breeze, more or less.