

Changing Lanes

HOW TO SWITCH CAREERS & BECOME A REAL ESTATE BROKER



BY JOHN SALUSTRI

“I had a good job, a lot of clients, and I was making a good salary at a great firm. But I was very unhappy.”

Michael Feuerman, SIOR, was turning 30 when that revelation hit him, so he opted to switch careers: from litigation to commercial real estate. As everyone in this article will tell you, CRE is a great career...but it doesn't happen overnight. Facing that reality and then preparing for it can be a wannabe broker's best advice.

Spend any time in a career, whether it's a passion or not, and you naturally develop relationships. You get used to a culture and develop skill sets that may or may not be applicable elsewhere. You also (hopefully) have a steady paycheck. Switch careers and you leave all of that behind. "It's not an easy thing to do," he says. "It's like stepping off of a cliff."

He knew he wanted to marry and start a family, and that created some extra pressure. "I knew the window was closing because it would be that much harder with a family." Today, the Delray Beach, Fla. resident is senior vice president and an office/industrial tenant rep at Berger Commercial Realty.

Playing a New Tune

Jim Baker, SIOR, made the switch at 25 and did it the hard way, with a family in tow. "I had the added motivation of having a child on the way and a wife who couldn't continue to work," says the former music teacher and professional musician, neither of which, he says, are high-ticket career

paths. Baker today heads his own firm, Baker Commercial Real Estate in Jeffersonville, Ind.

That's not to say that money was the only driver. "I was motivated to make enough money not only to provide for my family, but also to avoid going back to teaching."

He was also looking for freedom; yes, from minimal pay but also, "freedom from a captive job. Teachers are at school from about 7 a.m. to 3 p.m., but band directors don't stop when the bell rings. We were there for rehearsals, private lessons, and football and basketball games. I wanted an exciting career where I would be my own boss, set my own hours without asking permission and, of course, provide better for my family's needs."

Baker describes his real estate career in three movements, to put a musical spin on it. He started as a single-family residential broker—and in the first year tripled his former salary. A friend recommended he take the CCIM exam, and he moved into what he terms "residential-commercial." His wife and vice president, Kim, also has her CCIM. "I give her the credit for pushing me in the direction of commercial-only," Baker shares.

He emphasizes that the first-year windfall was a factor of working the single-family market, rather than commercial. "The paychecks may be bigger," he says, "but in commercial, there's a longer lag time before success hits. It takes time to establish those relationships, and commercial deals take a long time to close, if at all."

The Ties That Bind

Clearly, familial support is key for married career changers, as Memphis-based Landon Williams, SIOR, also attests. “Prior to making the switch, my wife agreed with the plan that I wouldn’t leave the office before 7 p.m., even on Fridays, for the first two years,” says the senior vice president for Cushman & Wakefield | Commercial Advisors, LLC. He was 30 years old at the time and a sports agent for Creative Artists Agency. “We knew that discipline in the early years would create flexibility in the years to follow.

“I came from a career that entailed extensive travel,” he says, “so I appreciated the fact that the commercial real estate business included enough travel to be fun but not so much that it took a toll on my family.” He was drawn to the profession as well because he, “love[s] the art of the deal and the processes and negotiations needed to achieve a successful outcome.”

His shoulder-to-the-grindstone attack on the new career was a tough but smart decision. “My expectations were managed appropriately by established brokers who explained that I could use the first two years to learn the industry, then my business would take off in year three,” says Williams.

That sort of drive is key to fast-tracking the learning curve. Baker says he avoided the lean times because “I gave real estate sales the same energy and time I gave to music.” Oddly, he says he found that industry colleagues didn’t share that passion. “Many of them didn’t seem willing to drive as hard for their work. Maybe that’s where the 80/20 rule comes in,” referring to the old saying that 20% of the brokers get 80% of the business.

Nevertheless, the push is generally considered easier if the wannabe broker is flying solo. “I met my wife just three or four months before I made the

transition from lawyer to broker,” says Feuerman. “That’s huge. Not only are you not making money but if you have a spouse and children, the pressure goes up exponentially, unless your spouse makes a good income. Eventually, you can earn as much as a lawyer, or even more,” but, as Baker pointed out, it takes time.

Williams says that college grads have it easier, as tough as those early years can be, especially if they’re still single. “There’s unbelievable value in being able to focus on learning the business as opposed to being forced to do deals to survive financially,” he says. “Someone right out of college will have an advantage in the long-run with a few years of solid on-the-job education before the intensity picks up to produce revenue.”

Words to the Wise

That’s not the only bit of sage advice our experts have for outsiders looking in, or for hiring managers interviewing career changers. The best you can do for those kicking the tires on a commercial real estate career is to level with them about the realities of starting over.

Drawing on his own experience, Baker boils the path to success down to three progressive words: “Education, experience, and expertise. I started with education. Then, I gradually gained experience as a resi-mercial broker.” When he “jumped into commercial,” he did all he could to network through SIOR and locally, marketing himself as an expert in the field.

Williams agrees that education courses and networking associations are a golden ticket to a fast-track career. But so is mentorship.

At SIOR, the importance of mentorship and guidance for brokers just starting out inspired the genesis of the Member Associate membership category.

Intended for those early in their career, Member Associates benefit from professional development, early career resources, mentorship, networking with industry leaders, and opportunities to build business.

“I cannot stress enough how important it is for new brokers to work with established brokers to leverage their experience, knowledge, and relationships.” Baker did that very thing, setting business development goals for himself on a quarterly basis and touching base with his mentors to review his progress. “That systematic approach gave me much-needed confidence.”

He also recommends you do a lot of upfront legwork before making the switch, meeting for informational interviews at a variety of firms to get the lay of the commercial landscape and uncover the wide range of possibilities open to newcomers, be it development, leasing, finance, or brokerage. “Match your skill sets to the role,” he states.

Window-shopping various firms also provides insight to “the benefits of working for one of the larger platforms versus the benefits of working for a boutique firm,” he says.

Feuerman agrees, especially concerning mentorships and skill sets. “Anyone making a change really needs a mentor,” he says. “And once you find them, give that person all you’ve got. Make sure you get along personally and that they lay out clear expectations for you.” And, once those expectations are set, “exceed them.”

Career shifters also come to that mentor with a history, and that history can be money in the bank, putting additional value on the table. “So ask yourself what skills you’ve developed that will transfer to commercial real estate brokerage,” he says, just as his law background helped him.

“With six years as a commercial trial lawyer, I knew a lot of business people

who trusted me," he says. "So, I could do business with many of the same people I had worked with. Plus, I could read a lease better than a non-attorney."

Speaking of money in the bank...well...put money in the bank. You'll need it before the deals start rolling in. "Don't live extravagantly," Feuerman says. "The germination period on a lease could be six to 12 months, once you actually land a client."

Which brings us back to the happy home. "Make sure your spouse is on board," he recommends. And if you don't have a spouse, "There's no shame in living back home."

The lean times will pass if, as Baker says, you're persistent, rather like a musician. "My years of study as a musician taught me about self-discipline," he says. "If you can't practice for hours daily, you won't

succeed in music." The same applies to real estate, he says.

There's just no way around it: becoming a commercial real estate broker is hard work, harder still if you're leaving one established career for another. There can be a big payday waiting at the other end of all of that practice and study, a payday cashed in freedom and entrepreneurial control as much as in dollars, but it takes endurance.

Get through the gauntlet of the early years and there's still another perk waiting for you, as Feuerman points out: "It's a lot of fun." ♥

CONTRIBUTING SIORS



Jim Baker,
SIOR



Landon Williams,
SIOR



Michael Feuerman,
SIOR

MEET THE AUTHOR

John Salustri is a freelance writer and editor-in-chief of Salustri Content Solutions. Contact him at jsal.scs@gmail.com.

“ ”

"Once those expectations are set,
'exceed them.'"

