

# 6 Steps to Becoming a “Realtor”

*How to become a real estate agent is something more than 14,000 people Google every month in America, as they consider joining the 2 million real estate licensees in the U.S. And for good reason: Helping people buy the perfect home or sell their home which is usually their largest asset is exciting! Not to mention the rather enticing fact that real estate can be a lucrative field. According to the Michigan Bureau of Labor Statistics, real estate agents make an average of \$44,090 per year—and the top 10% tier of agents earned over \$112,000 in 2017.*

## Step 1: Take a pre-licensing course

**Cost:** \$100 - \$300 (Online AYPO \$180 or Classroom Holloway Inst \$245)

The State of Michigan requires people to take 40 hours of pre-licensing training from a certified institution before they can sit for the real estate licensing exam.

The course will teach you real estate principles (terms like "lien," "escrow," and "encumbrance"), real estate practices (like how to determine a property's value), and the legal aspects of the business.

Pre-licensing courses can be taken in person or online, so consider your learning habits before deciding where to enroll. (Some people focus better in a classroom setting, others do better on their own.)

## Step 2: Submit License Application to The State of Michigan

**Cost:** \$88.00

## Step 3: Take the licensing exam

**Cost:** \$76.00

Exams are typically divided into two portions: one on federal real estate laws and general real estate principles, the second on state-specific laws. Both typically consist of 60 to 100 multiple-choice questions, including math questions that require you to use a calculator (e.g., prorating taxes for a specific property). Most pre-licensing courses provide students with sample tests, and many real estate commissions publish sample questions online.

#### Step 4: Join a Brokerage – “Your PREMIERE PROPERTIES”

Cost: \$0.00

In order to become a real estate agent and legally practice real estate, you must work under a supervising broker. Brokers are licensed by the state to oversee real estate transactions and ensure that real estate salespeople (that's you!) are adhering to the required legal and ethical standards.

#### Step 5: Become a “Realtor” – Join the Local, State & National Board of Realtors

Cost: JAAR \$825 MAR \$200 NAR \$175

In order to become a full-fledged Realtor®—a licensed agent with the ability to use that widely respected title—you need to be a member of the Local, State and National Association of Realtors®. No exceptions.

So what's the advantage?

Membership in the Boards offers a number of **benefits**, including access to real estate market data, the multiple listing service, discounts on education courses, and transaction management services. And being able to use Realtor on your business card and your marketing materials also adds credibility.

#### Step 6: Join Local MLS Service (JMLS)

Cost: \$800

Pay for membership to the local multiple listing service. Membership in your local MLS is essential, since you must use the system to list properties, which are then dispersed to websites like Realtor.com, Zillow etc... The service also enables you to easily pull a property's tax information, analyze market trends, and see listings as they go on the market.

Total Estimated Upfront Expense: \$2400.00