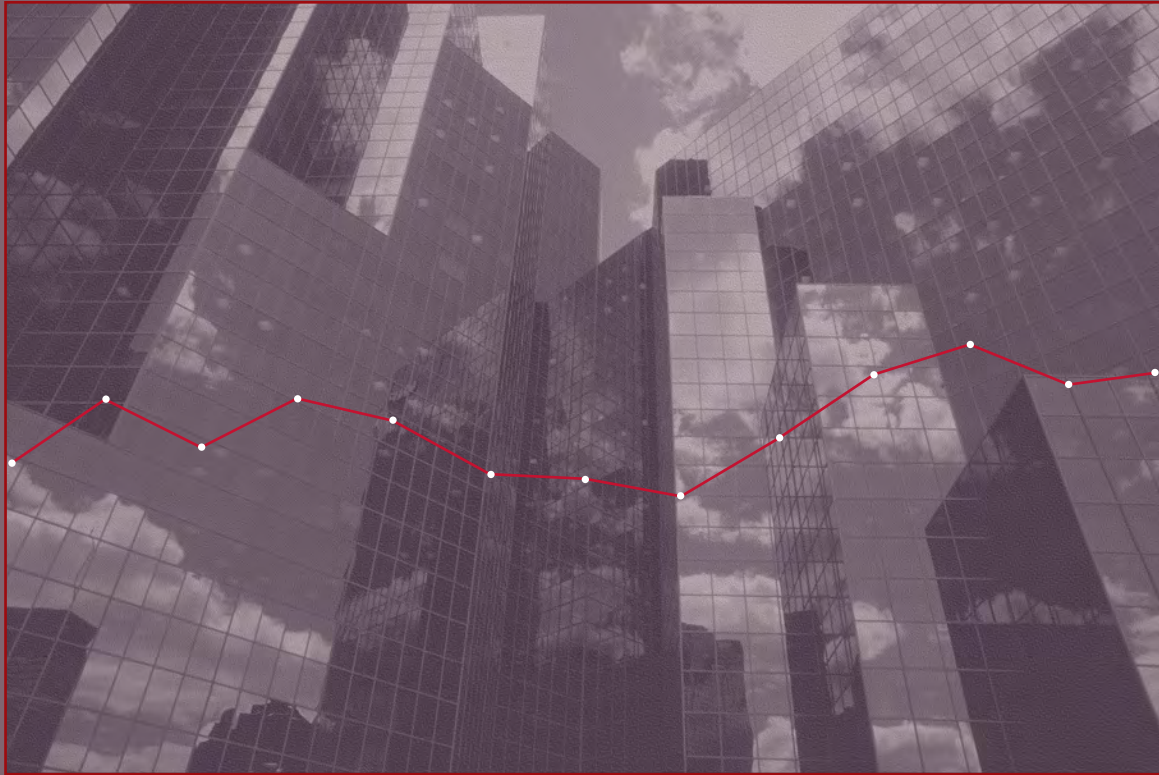


THE SELECTLEADERS/CORNELL JOB BAROMETER



THE 2009 ASSESSMENT OF THE U.S. JOB MARKET IN
COMMERCIAL REAL ESTATE FALL



THE PROFESSIONALS' CHOICE
FOR REAL ESTATE JOBS



Cornell University
Program in Real Estate

Letter from Anthony J. LoPinto, Founder of SelectLeaders, and David L. Funk, Director, Cornell University Program in Real Estate

The last annual Job Barometer, published in late 2008, witnessed the tumultuous fall of Bear Stearns, Merrill Lynch, Lehman Brothers, and others and forecast a dire employment portrait for commercial real estate in 2009. Now, a year later at the beginning of 2010, unemployment stands at 10% while the underemployment rate – which includes part-time workers who'd prefer a full-time position and people who want work but have given up looking – now is 17.3%. The share of the population in the labor force – 64.6% – fell to the lowest level in 24 years.

The ominous clouds of concern noted last year for the commercial real estate job market turned into an all out-storm in 2009, and outpaced the overall job market in terms of decline. There was not a single month during 2009 where job opportunities exceeded the lowest month in 2008. The high point of 1081 professional, commercial job opportunities posted in June 2008 had fallen to a mere 254 in September 2009, representing a 77% fall peak to trough. Perhaps more telling, 2008 saw an average of 760 commercial real estate job postings per month while that number had fallen to an average of just 420 per month in 2009, or an average fall of 44%.

In the midst of this job decline you will find in this report that job seekers remain resilient as over 74,000 individual resumes were submitted via the SelectLeaders Job Network in 2009, which is roughly the same number as the previous year yet chasing far fewer jobs.

It is in this environment that we present the Fall 2009 edition of the SelectLeaders/Cornell Job Barometer, the third annual assessment of the U.S. commercial real estate job market, a key resource to help us sort out and understand the trends and currents within the commercial real estate job market.

The Commercial Real Estate industry is a dynamic force in the U.S. economy that impacts all aspects of our business and personal lives, and is a critical leading indicator of the general health of the economy. Prior to the introduction of the Job Barometer, there was no reliable measure of commercial real estate employment trends. SelectLeaders and the Cornell University Program in Real Estate have filled this gap by joining forces to provide research insight into the employment market on a monthly basis and to release the Job Barometer annually as an overall portrait of the employment outlook for the real estate industry.

This 2009 issue of the Job Barometer demonstrates a steep decline in commercial real estate hiring activity from a year ago, and the question becomes will the 254 commercial job opportunities in September 2009 stand as a historical low point, or do troubling concerns ahead, including the looming debt maturities in commercial real estate, portend continuing weakness. We look forward to the next Job Barometer to learn whether 2010 is a year of recovery or continuing challenge to job seekers.



Anthony J. LoPinto
Founder, SelectLeaders
The Leading Real Estate Job Site Network



David L. Funk, Ph.D.
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Table of Contents

4	Executive Summary
7	National and Regional Findings
9	Job Sector, Field, and Function Findings
14	Jobs Attracting Candidates
16	Where the Jobs are Posted
19	Key Insight Prospects for Students
20	Key Finding Finance and Banking
22	Key Finding Workouts and Restructuring
23	Key Finding Multi-Family
25	Key Insight Job Security
26	Key Insight Prospects for Masters-Level Graduates
28	Key Insight Technology as a Career Networking Tool
29	Key Insight New Rules for the Job Search Process

The Fall 2009 SelectLeaders/Cornell Job Barometer was conducted under the direction of Dr. David L. Funk, Director of the Cornell Program in Real Estate, and Sung Won Suh, Teaching Associate and research supervisor. Special thanks to Richard A. Weidel III for his dedication to the Fall 2009 report.

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The SelectLeaders/Cornell Job Barometer is an ongoing research initiative conducted and written by faculty and graduate students in the Cornell Program in Real Estate in conjunction with SelectLeaders, an online job board for the commercial real estate industry. The Job Barometer is published at the end of each calendar year as a service to the real estate industry with periodic releases of monthly updates and findings during the intervening months. For the most up-to-date Job Barometer news and information visit www.realestate.cornell.edu or www.selectleaders.com.

Executive Summary

The third annual Job Barometer, the leading assessment of the commercial real estate job market, was conceived by SelectLeaders, real estate's leading job site, and developed and written by Cornell University's Program in Real Estate. The Cornell team of faculty and research specialists assess commercial real estate job postings from eight primary internet job boards serving the real estate industry (See Table 1 in Appendix A: Eight Primary Job Boards). The Fall 2009 Job Barometer focused on job postings pulled from these sites during the first week of each month beginning from January 2009 through October 2009. The total job postings collected and coded for 2009 was 3,777, the combined 2008 and 2009 coded postings was 11,378. See Appendix A for a full discussion of the Job Barometer's Methodology. Additionally, the Cornell team analyzed 74,000 resume submissions to the SelectLeaders job site to understand where job seekers were looking compared to where the jobs were located.

During the first half of 2009, the commercial real estate job market showed a slow, but steady incline of job postings. This movement reflected the reserved optimism being felt in commercial real estate markets that had been battered in 2008 but had managed to at least forestall falling off the cliff. Unfortunately, in September 2009, as national unemployment rates rose to a 26 year high of 10.2% job postings fell to an all time low of 254!

Traditional recruiting has substantially declined as firms cut expenses and have less of a need for new hires. This, in turn, has forced recent graduates to rely more heavily on personal networks. The Key Insight: Technology as a Career Networking Tool describes how professionals are building their professional networks through the diligent and careful use of online networking sites.

During the first half of 2009, the commercial real estate job market showed a slow, but steady incline of job postings.

Summary of Findings

Applications and job postings are somewhat in sync; California and New York had both the most postings and the most applications. Interestingly, the only states that experienced a net increase in job postings in 2009 compared to 2008 were Michigan, Illinois and North Carolina. The best month to have been looking for a job would have been March since it had the highest number of job postings. However, competition was also highest during this time period: February was the month that received the most resume submittals to the SelectLeaders job site. Although the Cornell team of analysts pulled the most job postings from Careerbuilder, SelectLeaders continues to have the highest percentage of professional, commercial real estate job postings. The Consulting and Property Management Business Fields experienced the most growth, while the Investments Business Field shrunk the most. The Multi-Family Sector continues to attract the most job postings and applications.

The Job Barometer highlights what has happened and hints at what might be. We have already seen the impact of the recent course of events on real estate hiring. The trend of job postings mirrors the trend of the overall economy: unpredictable and unspectacular. Until decision makers can better anticipate the impact of the coming commercial real estate debt maturity balloon, it is hard to determine whether job postings will increase.

National and Regional Findings

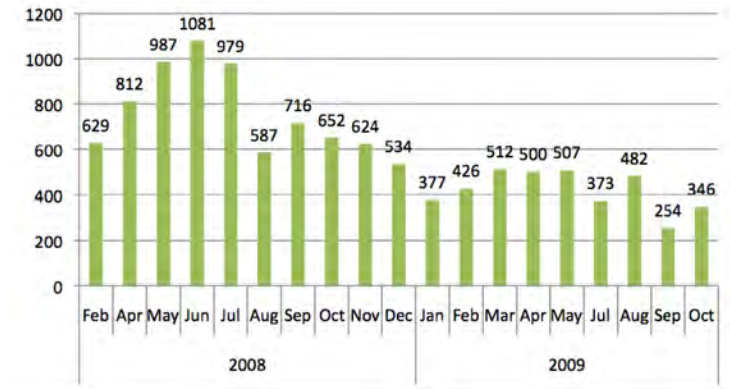
National and Regional Trends

The commercial real estate job market, which surprised observers by showing positive growth during the first half of 2008, has succumbed to the Great Recession in 2009 (see Chart 1). Commercial real estate job postings in September 2009 were down an astonishing 65% percent from the bankruptcy filing of Lehman Brothers a year prior. Unfortunately, the “ominous clouds of concern” noted in last year’s Job Barometer have turned into an all out rainstorm in 2009.

Because a six to nine month lag is typically observed between a drop in real estate market activity and the resulting job layoffs and hiring freezes, the U.S. may only now be feeling the effects of what happened in December 2008; when Lehman wrote down \$1.3 billion, Morgan Stanley wrote down \$9.4 billion in mortgage assets, and Wells Fargo merged with Wachovia to name a few. The global financial crisis has not caught-up with commercial real estate. While hiring trends are substantially down, commercial real estate loan defaults are still relatively low. Many fear that real estate is not reflecting the depths of the economic malaise, implying that the worst may be yet to come. The hope is that the bottom is near, or even better, has come and gone and that the lag effect will be shortened due to an extensive and prolonged shedding of real estate jobs. Thankfully, the data hints that September may have been the worst. There were 40% more commercial real estate job postings in October 2009 than there were in September 2009. There is some evidence that employers have shed excess positions and can respond more quickly to changes in market conditions than what has previously been seen. For instance, as the U.S. unemployment rate rose to 9.5% in September 2009, further weakening demand for apartment, retail and office space, the real estate job postings coded by the SelectLeaders/Cornell Job Barometer fell to an all-time low of only 254.

In September, the Labor Department reported that 6.9 million jobs had been lost since the beginning of 2008 and that unemployment had risen to 9.7 percent, a twenty-six-year high. Many of the companies which remained optimistic of a turnaround during 2008 have had to face reality and slow down their hiring schedules and let people go. Although there may be capital waiting on the sidelines, owners of real

Chart 1: Job Postings Nationwide
Feb. 2008 - Jan. 2009



Source: New postings of commercial real estate positions on key job boards from February 2008 to September 2009 (March '08 and June '09 excluded due to lack of data). Base = 11,378 postings.

There is some evidence that employers have shed excess positions and can respond more quickly to changes in market conditions than what has previously been seen.

estate whom can service their debt will continue to do so and will postpone transacting assets until the bid/ask spread of real estate values narrows, or an inability to pay lenders forces them sell. Although commercial delinquency rates have increased, most borrowers are extending loan maturities wherever possible causing deleveraging to proceed slowly.¹ In stark contrast to the unforeseen surprise of the residential mortgage crisis, commercial real estate professionals are well aware of looming difficulties facing commercial mortgages. Following the efficient-market hypothesis, it is possible that the potential loan problems during 2010 and 2011 may have already been accounted for and priced into risk premiums. If so, the looming maturity bubble may come and go somewhat smoothly. Nonetheless, the volume of maturing commercial mortgages will be highest during 2010 and 2011, and the ability of borrowers/lenders to make it through that time period is one variable that is substantially affecting the real estate job market (see Chart 2).

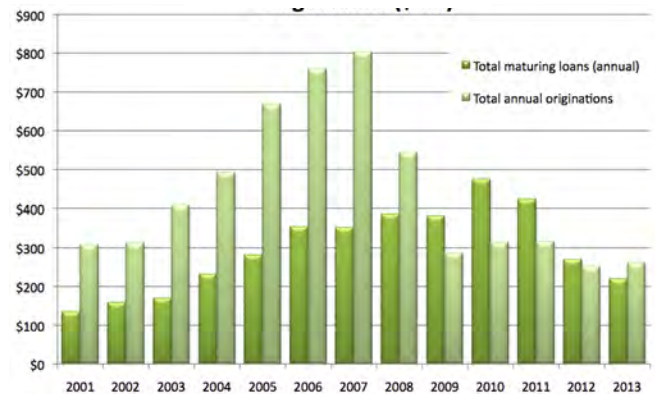
For some, Chart 2 presents a tremendous once in a lifetime opportunity; for others, however, it may be the end of their ability to kick the can down the road. This uncertainty is a cause for employers to delay hiring new employees until they see how the loan maturities play out. What this implies for the commercial real estate job market is that there should be job opportunities in work outs, acquisitions, and asset management, although it may take 12-24 months for those positions to materialize.

The U.S. Bureau of Labor Statistics (USBLS) tracks employment information for real estate and rental leasing professionals. While the USBLS method includes both residential and commercial jobs, it is a useful metric to paint a general picture of the real estate industry (see Chart 3).

Surprisingly, the real estate and rental leasing job market held up better than the overall job market for 2008. According to the U.S. Bureau of Labor Statistics, real estate and rental leasing job openings fell the most in 2007, with a decrease of 10% from the previous year. However, both real estate and rental leasing job openings and total job openings, behaved similarly when comparing the first eight months of 2009 to the same time period of 2008. Real estate and rental leasing job openings fell 40%, while all job openings fell 35%.

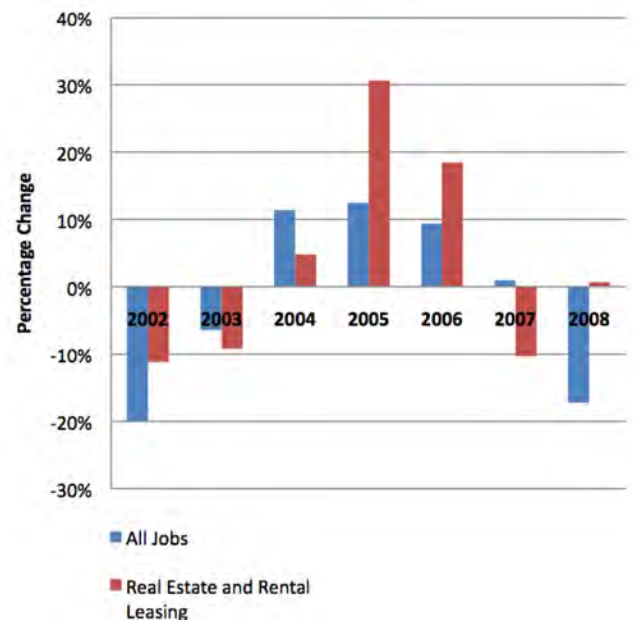
How does the USBLS data compare to the SelectLeaders/Cornell coded data? According to the USBLS, job openings fell

Chart 2: Volume of Maturing Commercial Mortgages vs. Originations (\$bil)



Federal Reserve; PREI Research

Chart 3: Job Openings



Source: USBLS

¹ PREI Research.

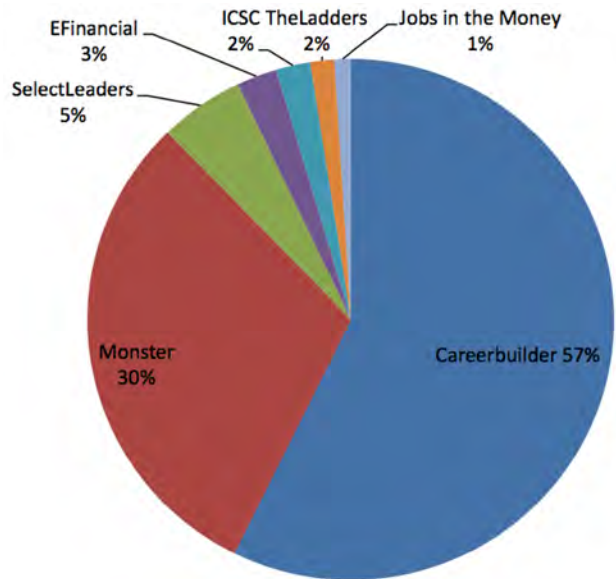
by 33% during July and August 2009 compared to the same time last year, while according to the SelectLeaders/Cornell data, job openings fell by 45% during the same time period. Because the USBLS data includes residential real estate job openings at all pay levels and the SelectLeaders/Cornell Job Barometer does not, the difference in the rate of decline in job postings may be indicative that commercial real estate job openings at salaries greater than \$35,000 decreased more in 2009 than did residential real estate job openings of all pay grades.

Where are the Jobs Posted?

The two broad posting sites are Monster and Career Builder, but the diffusion of jobs and broad market openness makes them actually less than efficient search options for commercial, professional real estate. When one looks at the job postings geared toward commercial real estate professionals, sorting changes. The following shows the top five sources for job postings for commercial real estate professionals in sorted by the percentage that are commercial real estate professionals, rather than by total volume.

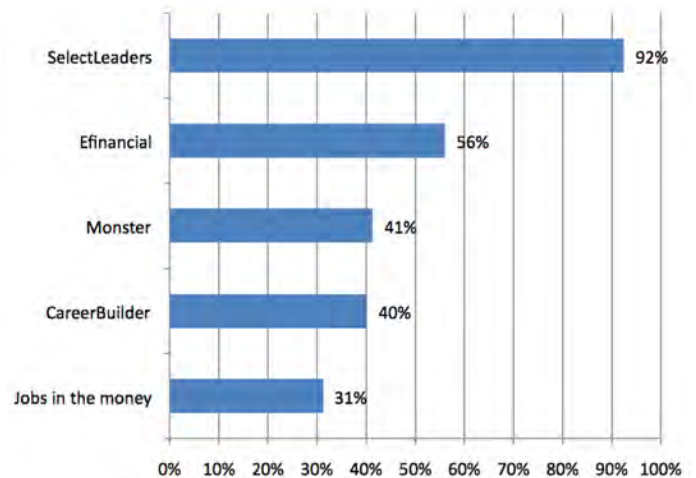
For the discerning commercial real estate job seeker, Career Builder and Monster receive a large number of postings, but the percentage of real estate jobs that are professional level and worthy of coding is less than half. With SelectLeaders and Efinancial, the majority of postings are at the commercial, professional level.

Chart 4: Nationwide Job Postings by Source February 2008-September 2009



Source: New postings of commercial real estate positions on key job boards from February 2008 to September 2009 (March '08 and June '09 excluded due to lack of data). Base = 11,032 postings.

Chart 5: Percentage of all job postings that are professional, commercial real estate

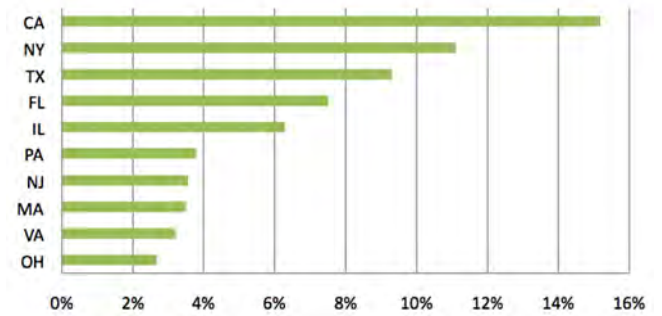


Source: New postings of commercial real estate positions on key job boards from February 2008 to September 2009 (March '08 and June '09 excluded due to lack of data). Base = 11,032 postings.

Job Postings by Location

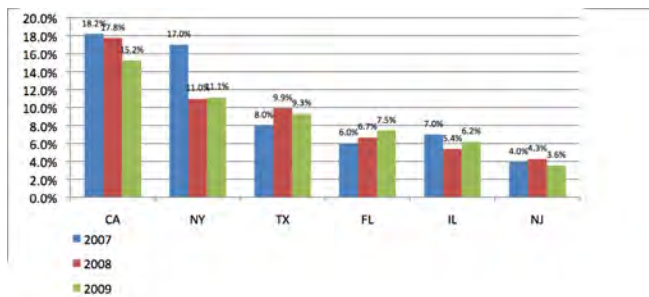
After shrinking 35% from 2007 to 2008, the share of real estate job postings in New York, proportionate to the total US, has stabilized at 11% for 2008 and 2009. Although the share of job postings in New York City remained constant, real estate related unemployment caused by the implosion of three of the five major U.S. investment banks – Bear Stearns, Lehman Brothers, and Merrill Lynch—has led to a loss of over 40,000 private sector jobs in New York City. Interestingly, after the mass job loss in real estate finance, job postings have remained rather level, staying between 55 and 70 per month (see Chart 8).

Chart 6: Job Postings by Location - Top 10



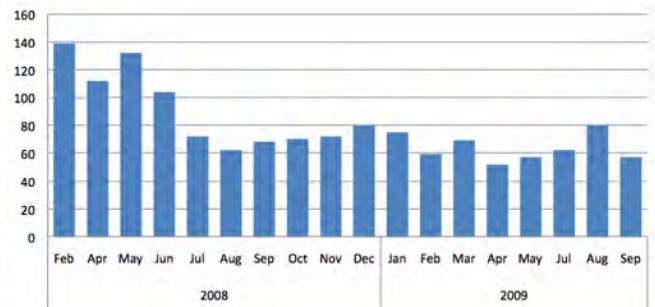
Source: New postings of commercial real estate positions on key job boards over the months of January, February, March, April, May, July and August 2009.

Chart 7: Job Postings by Location



Source: New postings of commercial real estate positions on key job boards 2007-2009.

Chart 8: Real Estate Finance Job Postings



Source: New postings of commercial real estate positions on key job boards from 2008-2009.

Where are the jobs going?

While some states such as Illinois are increasing their share of job postings relative to other states, this is because job postings are decreasing faster in some states than in others. Job postings are down all over the United States. While the proportionate share of job postings in each sector may be relatively stable, the real estate job postings pie is smaller in 2009 than it was in 2008 and 2007. For instance, as Chart 9 illustrates, although the proportionate share of job postings rose by about 1% in Illinois, actual job postings in that state fell by 24%. Only Michigan, Indiana, and North Carolina showed real growth in job postings, however those three states combined account for only 5% of the total job postings. Colorado, Washington, and Massachusetts experienced the largest decrease in job postings.

Chart 9: Percentage Change in Job Postings Feb - Sept 2008 Compared to Feb - Sept 2009

STATE	% CHANGE	STATE	% CHANGE
MI	8%	NV	-38%
IN	5%	MO	-38%
NC	4%	NY	-40%
DC	-8%	OH	-41%
VA	-15%	GA	-44%
CT	-21%	MD	-45%
IL	-24%	CA	-46%
FL	-24%	AZ	-47%
PA	-32%	MN	-47%
NJ	-37%	MA	-49%
TX	-38%	WA	-51%
NV	-38%	CO	-58%

Job Sector, Field and Function Findings

Sectors

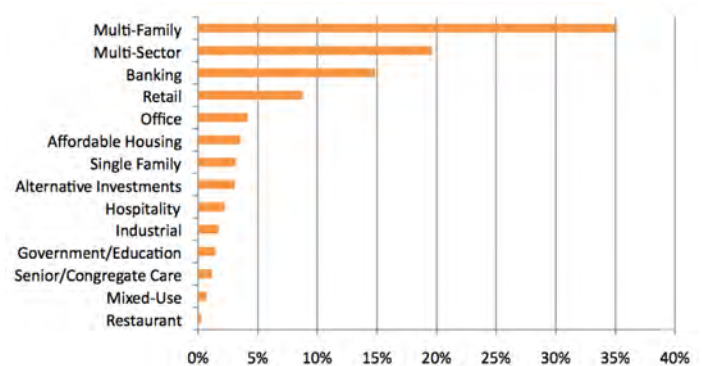
The SelectLeaders/Cornell Real Estate Employment Matrix defines 14 sectors in the real estate industry (see Appendix page 22). Sectors describe the broader area of the commercial real estate industry within which a company operates, and are typically defined by the product focus of their role. The Multi-Family sector led the way, with 35% of the job postings, compared to 38% in 2008. The Multi-Sector and Banking categories followed the Multi-Family sector as second and third with 20% and 15% respectively. These three sectors made up 70% of the total job postings for 2009. (See Chart 9).

An interesting insight comes from comparing the 2009 job postings by Sector to the 2008 and 2007 job postings by sector (see Chart 10). The Multi-Family sector continues to hold up well, capturing the lion's share of new job postings. From 2007 to 2009, most of the real estate sectors declined, i.e., they posted fewer job openings than the year before. However, property management was one sector that not only did not decline in 2009, but actually increased postings by 44%. The office sector, although only accounting for 3% of the total job postings, has shown an unanticipated increase in job postings. Although the office sector typically has long-term leases in place, vacancy rates are rising and the credit ratings of tenants are falling. Many office owners, whom are experiencing rising cap rate and stagnant, if not negative rent growth, are focusing on asset management to prepare for the coming mortgage maturities. Managing assets during the recession takes skilled and talented workers and office space owners and management companies realized they had too few employees to accomplish the job and began posting jobs to replace employees let go last year.

Business Fields

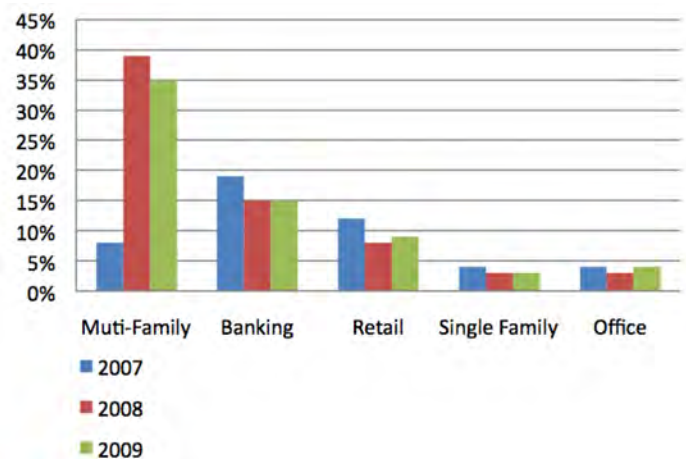
The term Business Field is used to further identify the job posting by the company's primary focus. The SelectLeaders/Cornell Real Estate Employment Matrix identifies 13 business fields within the real estate industry. A Business Field does not reflect the specific job function, but rather, the broader context that the job function supports, such as Development, Finance, or Property Management. This year the data reveals that the Consulting, Property

Chart 9: Jobs by Sector



Source: new Postings of commercial real estate positions on key job boards over the months of February, April, May, July and August 2009.

Chart 10: Jobs Postings by Sector '07 - '09 Comparison



Source: new Postings of commercial real estate positions on key job boards over the months of February, April, May, July and August 2009.

The Multi-Family sector continues to hold up well, capturing the lion's share of new job postings.

Management, and Finance Business Field Sectors have more job postings relative to total job postings than they did in 2008. As has been reported by many practitioners, opportunities in the Development Business Field have decreased substantially. In 2008, job postings in Development represented 14% of the total job postings, while only 8% in 2009. This represents a decrease of 42% in the total share of Development job postings. While still representing only a small proportion of total job postings, it is worth noting that Government and Non-Profit Organization real estate related job postings increased from 1% to 2% of total job postings.

Job Function

The previous sections address how the Job Sector and Job Field have been affected in 2009, but to complete the analysis one must understand how the day to day operations are changing within the real estate sector. The SelectLeaders/Cornell data uniquely reveals how the fundamental job duties that make up a substantial portion of the employment position change over time. Job Function is the next level of detail and gives us a greater understanding of a posting's specific Job Function within the specified Sector and Business Field. Furthermore, the SelectLeaders/Cornell Real Estate Employment Matrix identifies a total of 40 Job functions, and the top three Job Functions, in terms of job postings in 2009, were Accounting/Control, Property Management, and Leasing. These three functions accounted for 56% of the total job functions posted for 2009.

What this data reveals is that the overall percentage share of job postings is declining for the Accounting/Control, Administration/Operations, and Financial Analysis Job Functions. Conversely, Job Postings as a percentage of the whole have increased for Property Management, Brokerage/Sales, Asset/Portfolio Management, Legal, and Facilities Management. The data demonstrates that in 2009 employers prefer to hire workers for positions that will directly impact income in a positive way than to hire back office workers.

Chart 11: Job Postings by Business Field

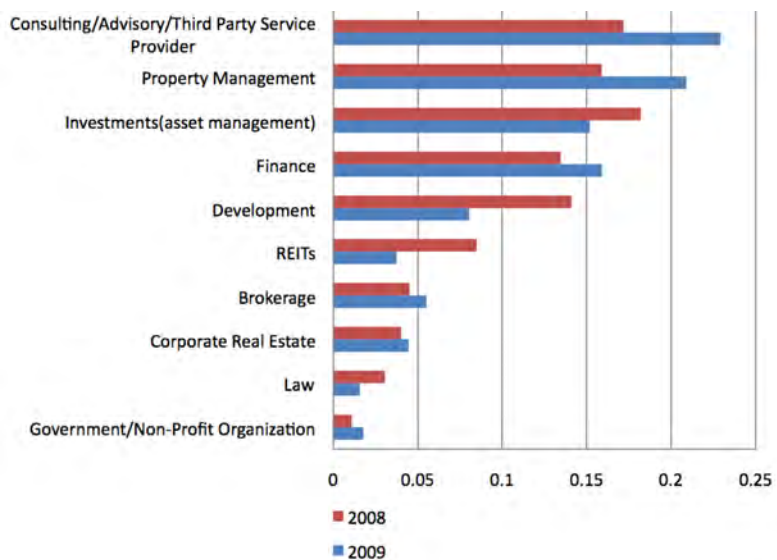


Chart 12: Job Postings by Job Function - Top 10



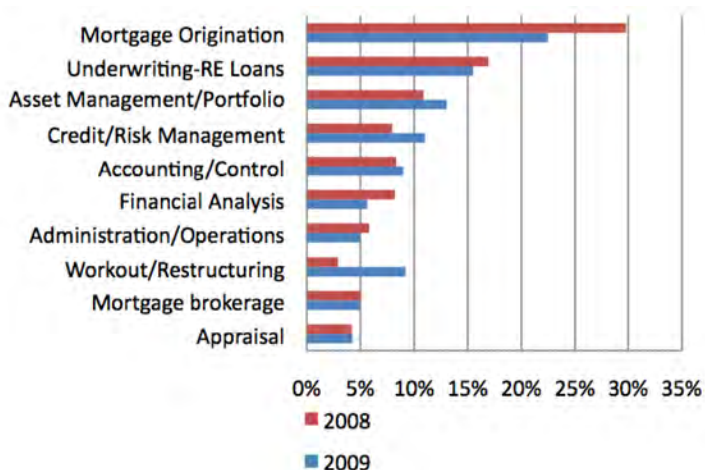
The changes within the makeup of the Job Function postings in the Finance subsector tell an interesting story. What those changes reveal is how the economic dislocations in finance have impacted the real estate job market and the job functions desired by employers.

As any reader of newspaper headlines would expect, job postings within mortgage origination make up a smaller proportion of total postings, while Workout and Restructuring have increased, as a proportion of total postings. Lynn Gray, former CAO of the Global Real Estate Group at Lehman Brothers, and current founder/CEO of Campus Scout, advises that while these changes provide hardship for some, those who are looking for a job should be aware of these changes and use them to their advantage. Ms. Gray opines that “asset management will become an increasingly valuable sector as firms struggle to maximize cash flows in a world of decreasing rents and occupancy.” She further recommends that students and hopeful employees “be flexible by sector and function and get a job where there are increasingly greater job opportunities,” which a reader of the SelectLeaders/ Cornell Job Barometer will know to be asset management and property management.

As any reader of newspaper headlines would expect, job postings within mortgage origination make up a smaller proportion of total postings, while Workout and Restructuring have increased, as a proportion of total postings.

Be flexible by sector and function and get a job where there are increasingly greater job opportunities.

Chart 13: Job Function Changes with Finance

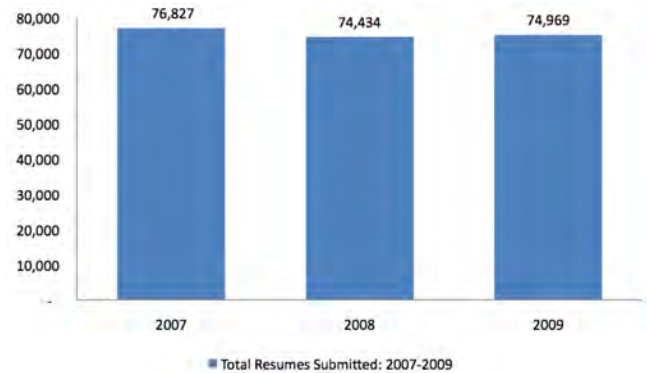


Jobs Attracting Candidates

Where Are Job Seekers Applying?

We've seen where the jobs are and which type of companies are hiring, but where have the job seekers been applying to and what jobs do they find most attractive? Using data on resume submittals, job postings, and applications made from SelectLeaders, a vibrant story can be told about the changes in job seekers demand for jobs over time. Total resumes submitted have remained relatively constant over time, with peak submissions coming in 2007. Of course, 2009 set the standard for number of resumes seeking individual jobs.

Chart 14: Total Resumes Submitted: 2007-2009



Source: Resumes submitted to jobs on SelectLeaders Job Network, first 11 months of each year

Where do Job Seekers Want to Work and Live?

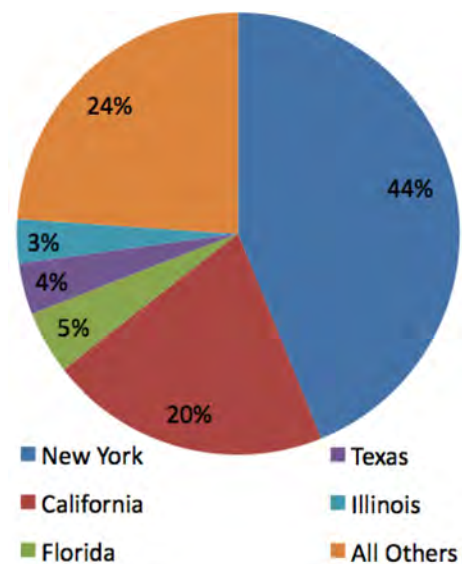
As typical, New York remains the most applied to state for commercial real estate jobs, with California consistently being ranked number two, and Florida in the third spot for two years in a row. The most interesting story here is the growth in applications to commercial real estate jobs in Maryland. Total applications for commercial real estate jobs in Maryland were 1,616, 1,521, and 2,866 in 2007, 2008, and 2009 respectively.

As the chart shows, New York, California, Florida, Texas, and Illinois receive 76% of the total job applications nationwide. Utah, Delaware, Rhode Island, Maine, Montana, Nebraska, Mississippi, New Hampshire, Arkansas, North Dakota, South Dakota, Vermont, West Virginia, and Wyoming received no commercial real estate applications in 2009.

Chart 15: Top 10 Most Applied to States

2007	2008	2009
New York	New York	New York
California	California	California
Illinois	Florida	Florida
Texas	Illinois	Texas
Georgia	Texas	Illinois
Massachusetts	Georgia	Georgia
Florida	Massachusetts	Maryland
District of Columbia	New Jersey	New Jersey
Colorado	Colorado	Massachusetts
Virginia	Connecticut	Virginia

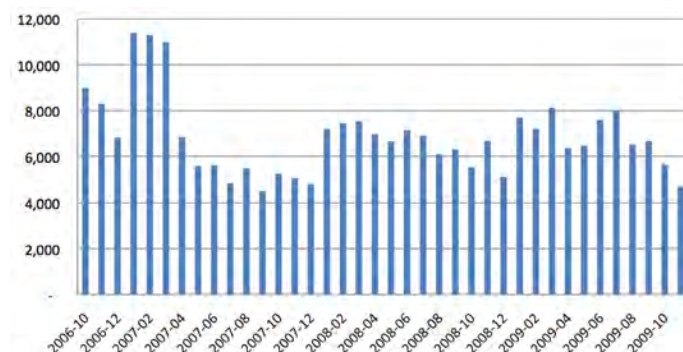
Chart 16; Top 5 States Receiving Resumes for Online Job Postings as a Percentage of Total Job Postings



When Do People Apply for New Jobs?

SelectLeaders received 8,122 resumes in March of 2009, the most all year. Interestingly, the month that received the most Job Postings in 2009 is also March according to the coded Job Postings. The same cannot be said for 2008. Resume submissions have fallen from an all time high of over 11,000 in the beginning of 2007, to a low of around 5,000 today.

Chart 17: Total Resumes Submitted: 2007-2009



What Sectors are Job Candidates Applying To?

The top 5 Job Sectors in 2009, Real Estate Investment, Office, Multi-Family, Mixed-Use, and Retail account for 73% of the total job applications. On the supply side, the top 5 Job Postings by Sector are Multi-Family, Multi-Sector, Banking, Retail, Office, and Affordable Housing (Banking includes Real estate Investment). Thus, the applications and postings by Job Sector line up rather well.

Senior and Congregate Care Job applications grew by 60% in 2009, from 691 to 1,106, while Mixed-Used applications fell by 52%, from 28,611 to 13,762. Applications for architecture fell the most, 60%, from 1,379 to 548. Interestingly, Real Estate Investment applications remained rather constant, at 43,274 in 2008 and 41,725 in 2009, a drop of only 3.5%. Despite the government's eagerness to create "Green Jobs", total applications to that sector fell by 45% in 2009.

Chart 18: Top 10 Most Applied to Sectors

2007	2008	2009
Office	Office	Real Estate Investment
Multi-Family	Real Estate Investment	Office
Mixed-Use	Multi-Family	Multi-Family
Retail	Mixed-Use	Mixed-Use
Hospitality	Hospitality	Retail
Industrial	Retail	Residential
Residential	Residential	Hospitality
Real Estate Investment	Mortgage	Industrial
Mortgage	Banking	Mortgage
Entertainment & Leisure	Industrial	Banking

What Categories are Job Candidates Applying To?

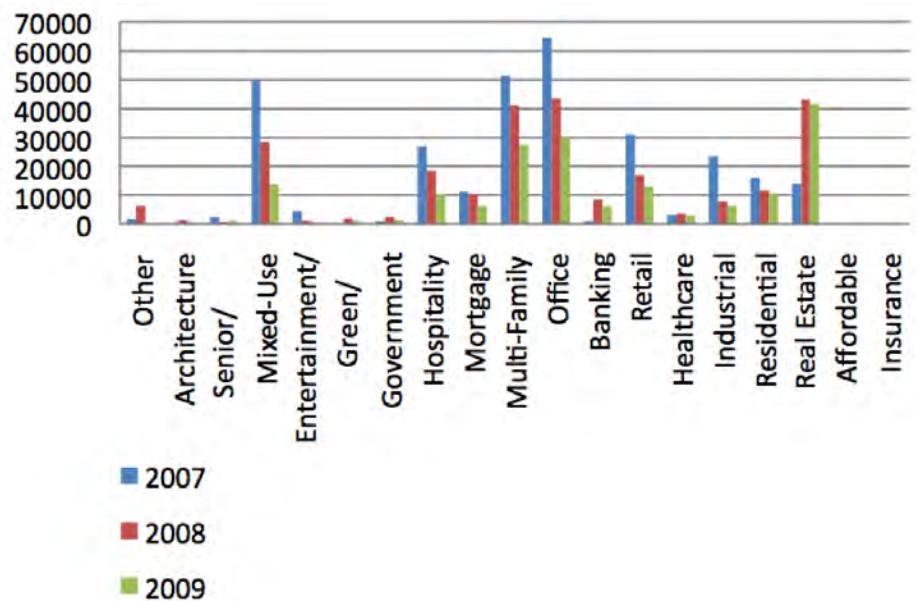
The applications in the Top 10 Job Categories account for 60% of the total applications in 2009. A look at the data reveals that there were still 10,081 applications for development jobs in 2009, down from 14,703, while Job Postings for development were down 58%! Dispositions made the top 10 list for the first time in 2009, reflecting the increasing labor needs of special servicers and work out groups. Forebodingly not on the 2009 Top 10 List is Capital Raising. It seems that candidates do not have much faith that they will be able to obtain jobs in the Capital Raising Category, even though job postings for Capital Raising are down only 7% from 2008.

Dispositions made the top 10 list for the first time in 2009, reflecting the increasing labor needs of special servicers and work out groups.

Chart 19: Top 10 Most Applied to Job Categories

2007	2008	2009
Acquisitions	Acquisitions	Asset Management
Financial Analysis	Asset Management	Acquisitions
Asset Management	Financial Analysis	Financial Analysis
Finance	Investment Banking	Finance
Capital Raising	Finance	Property Management
Development	Portfolio Management	Portfolio Management
Investment Banking	Development	Investment Banking
Corporate Real Estate	Corporate Real Estate	Corporate Real Estate
Business Development	Capital Raising	Development
Syndications	Property Management	Dispositions

Chart 20



According to Lynn Gray, founder of Campus Scout LLC, there are six qualified candidates for each position. A National Association of Colleges and Employers survey found that employers expect to hire 7% fewer graduates from the Class of 2010 than they hired from the Class of 2009 and expect to trim career fair participation.⁴ Unfortunately, that prediction is not the anomaly. Gray somberly predicts “that the best case scenario for 2009 job placement is that it is no worse than in 2008.”

Campus recruiting is down 22% in 2009 for entry level jobs. Compounding the problem, says Gray, is that “boomers are nervous about the economy and are suffering from diminished nest eggs, resisting retirement, and thereby limiting the opportunities for Gen Y.” When asked what she would be doing to get a job if she were a student, Gray said she would “be flexible both geographically and by sector” and that she would pursue “a job where there are opportunities”. Gray’s on the ground experience makes her believe that those opportunities “will be in asset management”.

Tony Lopinto, CEO of Equinox Partners agrees. According to him, there is no reason to shy away from asset management positions. “The asset-level experience is the prime experience: you learn the business from the ground up, you understand the dynamics of the market, and perhaps most significantly, you’re going to have a better chance of getting hired by a class A company through that entry point than you would through development.”

While high-profile, big name jobs may be the dream of most students, Gray urges students to consider “starting with a small firm, where you can have responsibility and breadth of experience sooner which may allow you to better capitalize on a market turnaround.” She explains that “this tight economy is a great opportunity for junior employees to step up and relieve some of the stress taken on by senior management.” In final, Gray’s advice for Gen Y is to “try different things, take on different tasks, expand their knowledge base and be ready to take the next step when the economy picks up again.”⁵

Start with a small firm, where you can have responsibility and breadth of experience sooner which may allow you to better capitalize on a market turnaround.

⁴ NACE’s *Job Outlook 2010 Fall Preview* survey, Available: <http://www.naceweb.org/spotlight/2009/eo91609.htm>

⁵ Adapted from a *1ogoodminutes.com* Interview with Lynn Gray, Available: <http://1ogoodminutes.com/2009/episode31-gray/>

Key Finding: Work Out and Restructuring

While syndication, acquisitions/disposition, and investment banking are typically the favorite commercial real estate job targets, job seekers may want to consider applying to jobs in work outs and restructuring. The total share of job postings attributed to the Job Function Workout/Restructuring grew from 2.5 percent in 2008 to almost 10 percent in 2009. Compared to the 2004-2007 period, few real estate deals are getting done, rents are decreasing, and asset values have plummeted. Tremendous pressure has been applied to expense control at the corporate and property levels. Not surprisingly, the need for employees in workout/restructuring, asset management, and property management has surged as well.

Although this is somewhat related to the staffing up in the multi-family sector, owners in other sectors have turned to property and asset management as one area for competitiveness as they try to avoid having their loans turned over to the workout and restructuring department.

Chart 21

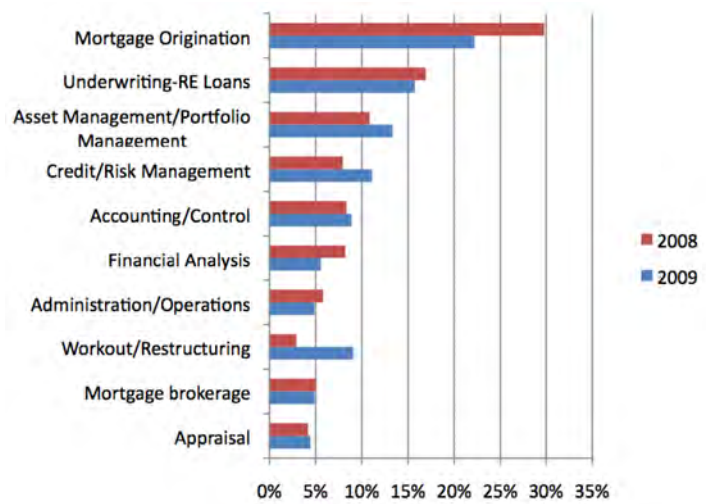
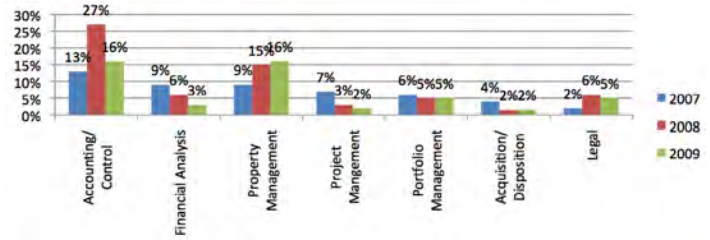


Chart 22



Source: New postings of commercial real estate positions on key job boards from February 2008 to September 2009 (March '08 and June '09 excluded due to lack of data); Base= 11,032 postings

Chart 23: Aquisitions/Dispositions and Workout/Restructuring Job Postings by Job Function

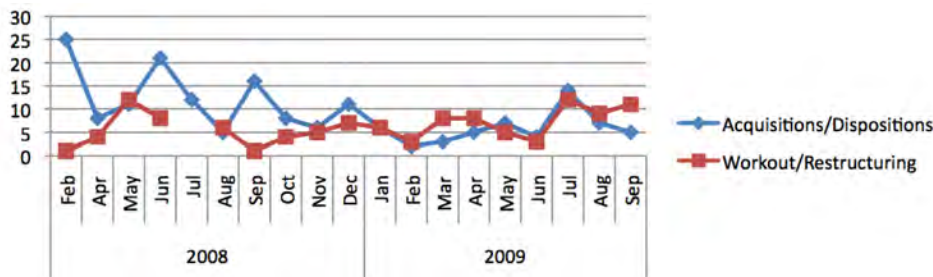
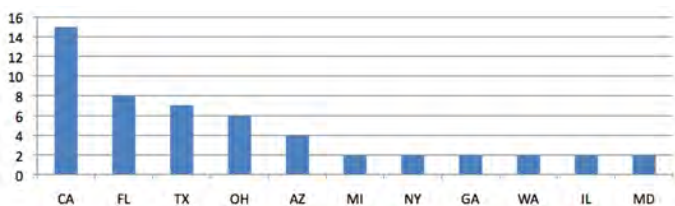


Chart 24: Workout/Restructuring Jobs in Finance by Location



Job Function Rank Changes (2007-2009)

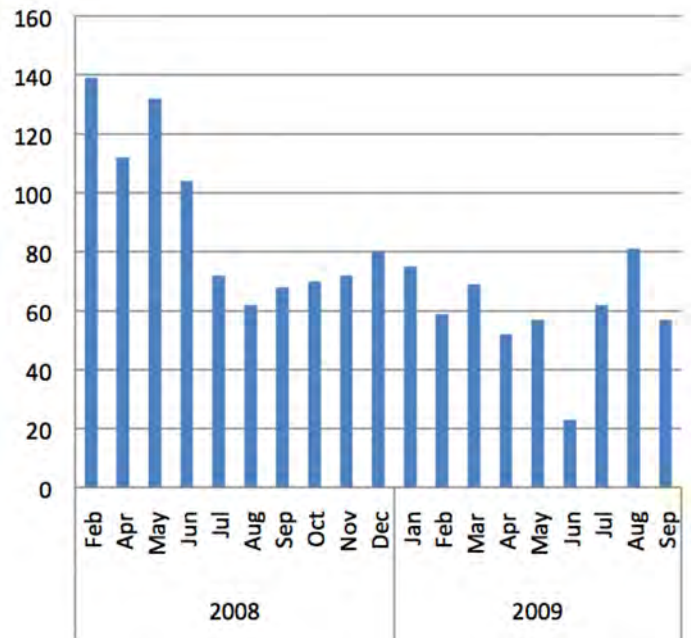
Key Finding: Finance

Finance has fallen of the cliff. The Wall Street Journal reports that 40,000 jobs have been shed from Wall Street, including 27,000 real estate jobs. Nationally, the Bureau of Labor Statistics tallies 1.5 million professional and business services jobs lost since the beginning of the recession, and more than 500,000 in the financial sector. Amazingly, there were a total of only 11 real estate finance job postings in NYC in August! Nationwide, June 2009 was the worst month for finance job postings. February 2008, the first month the SelectLeaders/Cornell team began tracking real estate finance job postings, had 140 finance job postings, the most ever recorded. June 2009 was the worst, with only 21 job postings nationwide.

A couple of years ago it seemed that half of art history majors were considering careers in finance or investment banking post graduation.

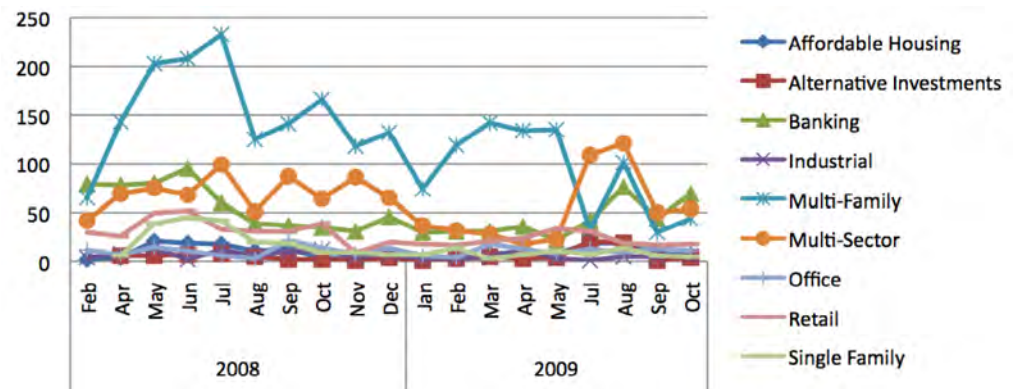
– Cornell Program in Real Estate
Director Director Funk

Chart 25: Real Estate Finance Job Postings Nationwide



Source: New postings of commercial real estate positions on key job boards from February 2008 to September 2009 (March '08 and June '09 excluded due to lack of data); Base= 11,032 postings

Chart 26: Job Postings by Sector



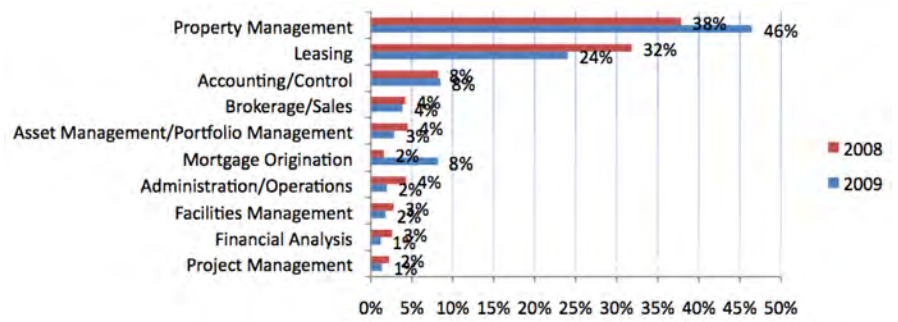
Has the finance industry hit bottom? Job Postings in the finance sector jumped from 44 in September 2009 to 75 in October 2009.

Key Findings: Multi-Family

The single-family residential market had a corresponding impact in the multifamily sector, which subsequently dominated the job postings in 2008 and 2009. Due to various government programs aimed at increasing homeownership rates in the US, the homeownership rates peaked in 2006 at 69.2 percent. In the third quarter of 2009, the rate was down to 67.6 percent according to the US Bureau of Census due to tighter mortgage qualification requirements, higher down payment requirements, deteriorating credit scores, and rising unemployment. However, this fall in homeownership rates has not translated into a fall in apartment vacancy rates as of yet.

The fall in homeownership rates is also being caused by the huge number of foreclosures, which force financially distressed homeowners out of their homes. For instance, according to RealtyTrac, U.S. foreclosure activity increased 7 percent in July 2009 alone. However, many of these people have not yet entered the rental market, but are instead choosing to live with family and friends until they are able to improve their financial situation. Nonetheless, with thousands of Americans renting, or preparing to rent apartments again, multifamily owners and property managers geared up for the increase in demand. Property Management and Leasing jobs account for over 60% of all Job Functions within the Multi-Family sector.

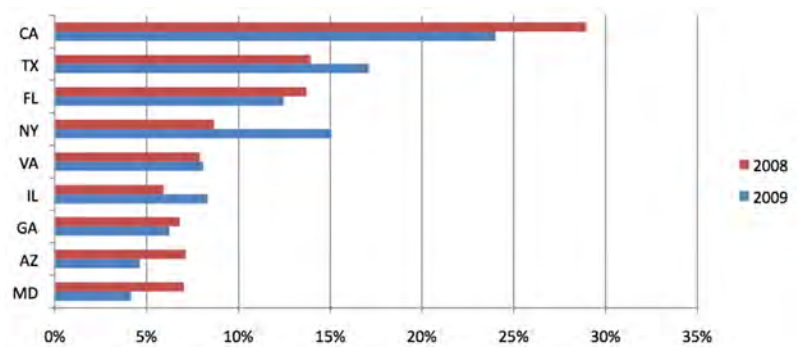
Chart 27: Top 10 Multi-Family Job Functions



Source: New postings of commercial real estate positions on key job boards from February 2008 to September 2009 (March '08 and June '09 excluded due to lack of data); Base= 11,032 postings

People are choosing to live with family and friends until they are able to improve their financial situation.

Chart 28: Multi-Family Job Postings by Location Comparison (2008 - 2009)



KEY INSIGHT

Job Security

Writing for the New York Times, columnist Thomas Friedman opines that until workers have the skills to compete globally, the recession fueled by the end of credit and asset bubbles won't abate. Apparently, "just being an average accountant, lawyer, contractor or assembly-line worker is not the ticket it used to be".

How does this relate to real estate? In a faltering economy, it is increasingly important to be indispensable in what you do, and be a rainmaker that brings in business in these times. While hard work, integrity, and talent can go a long way, sometimes educational background and a dutifully developed skill set can often mean the difference when the layoff axe falls.

Jon Geanakos, Managing Director for Houlihan Lokey Howard & Zukin, stresses the importance of standing out, and making oneself indispensable from day one. He advises job candidates that they must "show employers that you can bring them business and ideas" in the initial interview. Because job supply is much smaller than the demand for jobs, employers are able to be picky. To land a job, one must show that you will be able to impact the firm in a positive way from day one.

For instance, applications to the Cornell Program in Real Estate class of 2011 increased 15%. Although this trend is certainly reflective of applicant's desire to seek shelter from the labor dislocations in the real estate industry, it is also indicative of an increasing importance of higher education. While real estate remains one of the strongest bastions of entrepreneurial opportunity, it is becoming increasingly institutional and technical. Those with an advanced skill set in addition to other necessary innate qualities will be the most like to succeed in an increasingly difficult industry.

Show employers that you can bring them business and ideas.

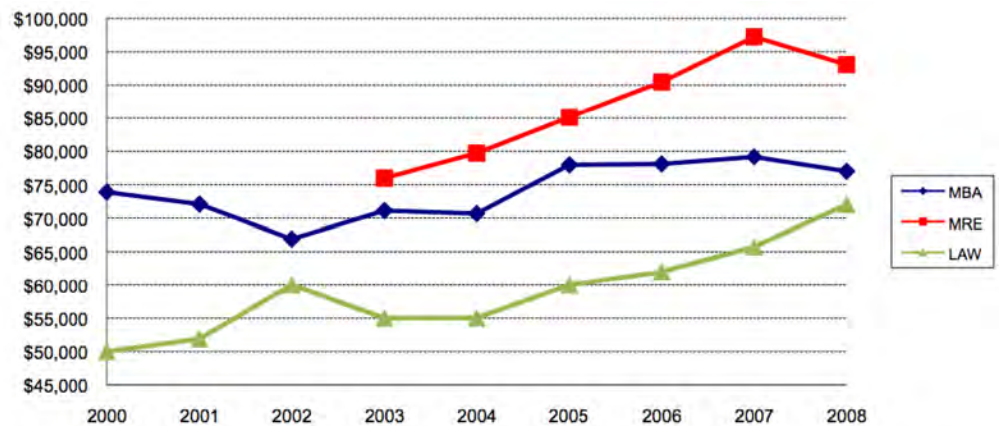
Prospects for Masters-level Graduates

Graduates of specialized masters degree programs in real estate enjoyed a steady increase in salaries from 2003 through 2007, jumping from an average of \$75,974 to \$93,069 in 2008 for the programs reporting data. However, starting salaries for the 2008 graduate real estate programs decreased 4.3%, from \$97,242 to \$93,069. Starting salaries for graduates of MBA programs fell during the same time period, although starting salaries for law school graduates rose by almost 10%.

However, starting salaries for the 2008 graduate real estate programs decreased 4.3%, from \$97,242 to \$93,069.

Data for the class of 2009 has not yet been gathered, but the general consensus is that starting salaries have continued to erode. It will be interesting to see whether the special skill sets that graduates of graduate real estate programs bring will command a higher salary than do their peers of similar age and work experience.

Chart 29: Comparison of MBA, MRE, and LAW Starting Salaries



MBA Data provided by the Graduate Management Admissions Council's (GMAC) Global MBA Graduate Surveys administered to US MBA's from the graduating classes of 2000-2007. Real estate data obtained from the graduate programs in real estate at Cornell University, MIT, and the University of Southern California for 2003-2008. Law data obtained from National Association of Legal Career Professionals median starting salary by year.

Technology as a Career Networking Tool

Commercial real estate professionals have always gathered together to help one another do business and make money. Networking with other real estate professionals has become more accessible and more complicated.

Now, with the advent of social networking tools such as Facebook, LinkedIn, Twitter, and a proliferation of real estate blogs, it is a global conversation. When career networking, it is important to remember that there is a huge difference between professional social networking and personal social networking. Mixing the two can have advantages, but one must recognize the dangers involved.

For those comfortable with mixing social and professional online networking, the best place to do so is Facebook. First impressions are often now made via the internet. It is not uncommon for both employers and hopeful employees to google, Facebook, or search for each other on LinkedIn before meeting face to face. In fact, according to a CareerBuilder.com survey, one in five hiring managers conduct background checks using social networks.⁶ Smart job candidates will use social networking to their advantage, and portray an image that highlights their successes and skill set.

According to the CareerBuilder.com survey, the top concern among hiring managers who screened job candidates via social networking profiles was whether the candidate posted information about drinking, using drugs, or provocative or inappropriate photographs or information. On the other hand, social networking profiles give some job seekers an edge over their edgier competition. Social networking sites can help hiring managers solidify their decision to hire the candidate. The top factors that influenced their hiring decision included whether the candidate's online profile supported their qualifications for the job and displayed great communication skills conveying a professional image.

For many, the constraints of social networking sites leave them wanting more space to express their views and connect with others. To do so, some have turned to blogging, which is a form of posting a chronological series of personal thoughts and links to other web content such as traditional media. For instance, Llenrock Group LLC, started blogging to "create a source of current and relevant information in commercial real estate that goes beyond the simple facts and figures one finds in most industry publications."

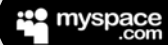
Unlike social networking sites, which do not necessarily require a lot of time to keep up, blogs are labor intensive. Is it worth it? The folks behind the Llenrock blog think so: "The time commitment of maintaining a daily blog is well worth it because it has allowed us to gain the reputation of being commercial real estate thought leaders in our community." Like an individual that creates a LinkedIn profile, blogging allows the user to control the image that is portrayed to the larger community. This image should be carefully crafted and maintained to maximize the advantages of utilizing online social networks.

Personal Social Networking Sites

Facebook



MySpace



Flickr



Twitter



Professional Social Networking Sites

LinkedIn



Plaxo



ActiveRain



i-Meet



⁶ CareerBuilder.com Survey. Available:

<http://sev.prnewswire.com/workforce-management/20080910/AQW02510092008-1.html>

Appendix A: The SelectLeaders/Cornell Job Barometer Methodology

Eight Primary Job Boards Sourced for this Report

The SelectLeaders/ Cornell Job Barometer employs the following two major data collection approaches as part of a research methodology aimed at assessing professional jobs in the commercial real estate industry:

- **3,777 online job postings** for professional commercial real estate positions on the industry’s eight primary job boards were collected in the first full business week of the month from January to October 2009.
- **74,969 resume submittals** to job postings on the SelectLeaders Job Network of twelve real estate web sites provided the data to identify jobs attracting candidate interest.

Seven primary Web-based job boards (see table 1) made up the data source for determining the nature and scope of professional jobs in commercial real estate by sector, business field, and job function as well as by geographic location. This systematic tracking and coding of all professional commercial real estate jobs that were posted during this time provided a “snapshot” of the current online commercial real estate job market.

All commercial real estate jobs posted to these boards during the first full business week of each month are coded and analyzed by the Cornell Program in Real Estate.

The Job Barometer focuses only on professional commercial real estate job openings, which are marked by a high level of analytical and professional orientation, require a university degree with an annual salary greater than \$35,000, and exclude jobs related to residential sales.

The jobs pulled and coded as professional, commercial real estate jobs from the eight job boards during January to October 2009 averaged 377 per month, or an estimated 15.08% of all commercial real estate jobs available in the market at any given time.

Table 1.

The 7 Primary Job Boards Sourced for this report:
Monster
CareerBuidler
SelectLeaders
eFinancialCareers
ICSC
Jobs in the Money
Ladders

Each month all real estate jobs are pulled from the seven job boards but then only those that are deemed professional, commercial opportunities are actually analyzed and coded. During January through October 2009 over 10,000 real estate jobs were posted yet only 3,777 were determined to be professional, commercial in nature.

The Bureau of Labor Statistics tracks all real estate job openings on a monthly basis, and total opportunities have averaged roughly 25,000 postings nationwide each month. Professional, commercial real estate jobs as defined within the SelectLeaders/Cornell Job Barometer account for 10% of all real estate job opportunities available on average at any given time.

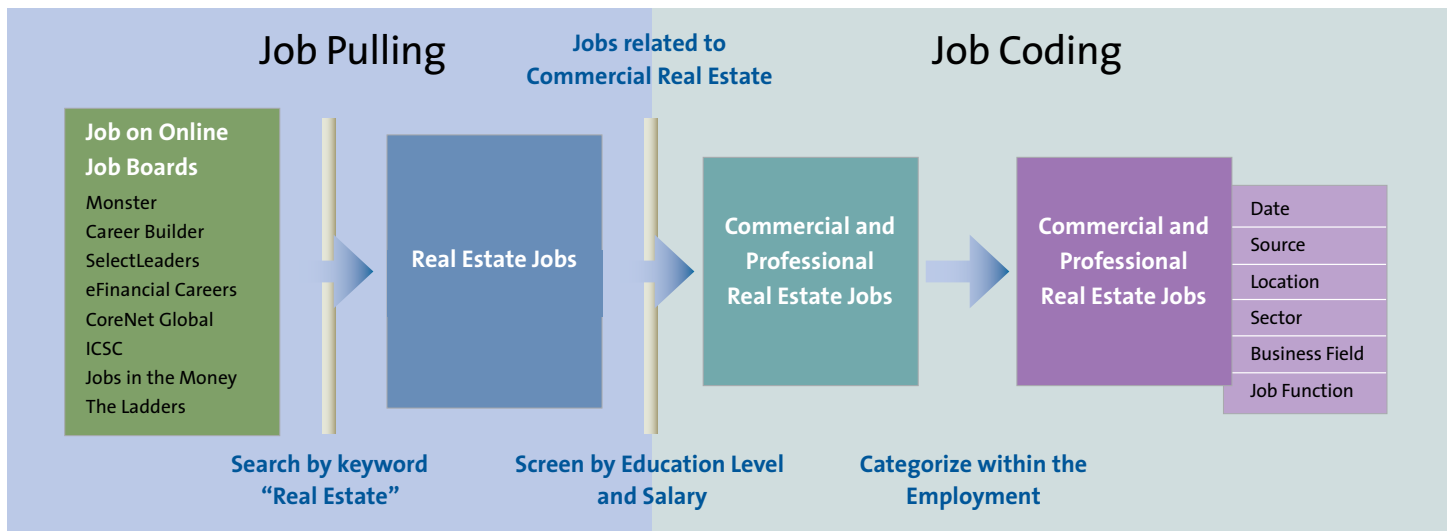
The jobs pulled and coded as professional, commercial real estate jobs from the eight job boards during January to October 2009 averaged 377 per month, or an estimated 15.08% of all commercial real estate jobs available in the market at any given time.

Table 2.

Sector	Business Field	Job Function	Location
Office	Investment (Asset Management)	Portfolio Management	CA

Resume Submittals Discern What Jobs Attract Candidates

Resumes submitted to the SelectLeaders Job Network over the period from January to November 2009 were coded according to job function and geographic location. A total of 74,969 resumes were submitted during this time on the SelectLeaders Job Network. Multiple resume submissions from a single candidate were counted each time, while employers that posted positions on SelectLeaders were able to check off up to five different job functions applying to each posting. As a result, one resume submitted for one posting might be recognized in several job functions. Only total submission numbers were studied in this analysis; no private information on resumes was, or will be, used for analysis.



Employment Model / Matrix

The SelectLeaders/Cornell Commercial Real Estate Industry Employment Matrix was developed for the Job Barometer as a comprehensive model for organizing jobs within the industry. Organizing jobs within a three-part matrix by sector, business field, and job function not only provides a structure for understanding employment, but also serves as a model for understanding the structure, activity and roles within the commercial real estate industry as a whole.

The Matrix begins with the identification of the 13 broad sectors in the commercial real estate industry. Sector refers to the broader area of the commercial real estate industry within which the position operates. It typically is defined by the product focus of the role.

Once the sector has been identified, the position is classified by its business field. The 14 business fields represent the company's focus, their main line of business. It does not reflect the specific job duties, rather the broader context within which the position is placed.

Job functions truly capture the specificity and diversity of activities and jobs within the industry: A total of 40 distinct commercial real estate job functions are identified. The job function reflects the fundamental job duties that make up a substantial portion of the employment position.

The SelectLeaders/Cornell Commercial Real Estate Industry Employment Matrix thus provides a structure for understanding activity in the industry and establishes a model for appropriately coding and organizing jobs within the industry.

The SelectLeaders/Cornell Commercial Real Estate Employment Matrix



THE PROFESSIONALS' CHOICE
FOR REAL ESTATE JOBS



Cornell University
Program in Real Estate

The SelectLeaders/Cornell Commercial Real Estate Employment Matrix serves as a model for understanding the structure, activity and roles within the commercial real estate industry as a whole.

Job Functions reflect the fundamental job duties that make up a substantial portion of the employment position. The job functions capture the specificity and diversity of activities and jobs within the industry.

Table 1. Job Functions

Academic	Business Development	Human Resources	Planning
Accounting/Control	Communications/Investor Relations	Interior Design	Project Management
Acquisitions/Dispositions	Corporate Finance/CFO	Investment Banking	Property Management
Administration/Operations	Corporate Real Estate Generalist	IT/Information Systems	Real Estate Research
Advisory Services/Consulting	Credit/Risk Management	Landscape Architecture	Securities Analysis
Appraisal	Due Diligence	Leasing	Structured Finance
Approval & Entitlement	Engineering	Legal	Syndications
Architecture	Facilities Management	Marketing Promotion	Tax
Asset/Portfolio Management	Financial Analysis	Mortgage Brokerage	Underwriting-RE Loans
Brokerage/Sales	Historic Renovation	Mortgage Origination	Workout/Restructuring

Table 2. Sector

Alternative Investments
Banking
Entertainment/Leisure
Government/Education
Hospitality
Industrial
Mixed-Use
Multi-Sector
Office
Residential
 Affordable Housing
 Multi-Family
 Single Family
Restaurant
Retail
Senior/Congregate Care
Unspecified

Job Sector refers to the broader area of the commercial real estate industry within which the position operates. It typically is defined by the product focus of the role.

Table 3. Business Field

Academia
Advisory Services/Consulting
Architecture
Brokerage
Construction
Corporate Real Estate
Development
Finance
Government/Non-Profit Organization
Investments (asset management)
Law
REITs
Property Management
N/A

Business Field represents a company's primary focus. It does not reflect the specific job functions, but the broader context that the job function supports.

The real estate industry commonly employs the following list of job areas to describe career categories available in commercial real estate. Career categories consolidate job functions into categories of similar areas, and the resulting broader categories capture the "career field" within which the position fits. Career categories may encompass several job functions, reflecting potential roles that may be pursued by an individual in that field.

Table 4. Career Categories

Academia	Asset/Portfolio Management	Development	Law
Accounting/Tax/Control	Brokerage & Leasing	Finance	Marketing
Advisory Services/Consulting	Communications	Human Resources	Planning
Appraisal	Construction	Investments	Property Management
Architecture	Corporate Real Estate	IT	Research



Cornell University Program in Real Estate

Cornell University's Program in Real Estate is home to the Masters of Professional Studies in Real Estate degree, a comprehensive, graduate-level curriculum that educates the next generation of real estate industry leaders. Cornell is also home to the Cornell Real Estate Council, an extensive network of over 1,400 real estate industry leaders, as well as the annual Cornell Real Estate Conference, now entering its 26th consecutive year.

Cornell boasts the largest full-time, on-campus real estate faculty in the country, including three endowed positions in real estate, with its nineteen full-time real estate field faculty selected from seven colleges at Cornell to create a unique interdisciplinary structure. The core courses in the Program in Real Estate are drawn from each of the colleges to create a multidisciplinary educational experience that utilizes the full resources of Cornell. Students at Cornell receive broad exposure to real estate, from architectural design, construction management, real estate finance/investment, real estate development to deal structuring and on, as part of their core coursework. The ability to specialize in one of ten real estate niches during their second year, furthermore, creates the opportunity to maximize Cornell's extensive real estate offerings in sculpting a concentration ideally suited to the individual student's interests.

Cornell is also at the forefront of graduate-level real estate career development and management with its exclusive Real Estate Career Guide® program the centerpiece of a career development and placement process integrated throughout the two-year graduate program.



Cornell boasts the largest full-time on-campus real estate faculty in the country.

The Cornell Real Estate Council, believed to be the largest university-affiliated network of real estate professionals in the country, is a key link between Cornell students, alumni, and the real estate industry. An additional link between campus and industry is the Cornell Real Estate Review (CRRER), a scholarly journal providing a conduit for scholars, professional practitioners, and students to express ideas, concepts and research findings from all fields related to the real estate profession. The Review, unique as a student-managed real estate journal, is similar to a Law Review as the student editorial board referees and edits submissions from scholars and practitioners worldwide.



To learn more about the Cornell Program in Real Estate visit www.realestate.cornell.edu.

About SelectLeaders



FIND THE MOST EXPERIENCED, QUALIFIED REAL ESTATE TALENT

This real estate-specific jobsite network provides employers industry-wide exposure to a highly targeted audience of real estate professionals. Candidates access the best jobs across all real estate sectors, functions, and markets, because SelectLeaders powers the top Professional Associations' Career Centers.

- BROAD COVERAGE:** 8.5 million annual page views
- PROVEN RESULTS:** 150,000 annual job applications
- INDUSTRY LEADER:** 100,000 annual job applications
97,000 registered professionals
- UNPARALLELED REACH:** 100,000+ Professionals receive our weekly Job Blasts

Not your typical mix of candidates found on ordinary job boards:

- 14% Executives
- 19% VP or Director level
- 30% Management

Higher Compensation Jobs:

- 11% pay over \$200,000
- 19% are over \$150,000
- 65% pay \$75,000 or higher

www.selectleaders.com

SPECIAL THANKS TO THE #1 REAL ESTATE JOBSITE NETWORK FOR THEIR INDUSTRY LEADERSHIP IN INITIATING THIS REPORT.

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CORNET GLOBAL



NAREIM REAL ESTATE INVESTMENT MANAGERS NATIONAL ASSOCIATION



NATIONAL ASSOCIATION OF INDUSTRIAL & OFFICE PROPERTIES



NATIONAL ASSOCIATION OF REAL ESTATE INVESTMENT TRUSTS



NATIONAL MULTI HOUSING COUNCIL



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