

2017 CRE FINANCIAL ANALYST SURVEY RESULTS!

MORE THAN 60%
of financial analysts reported that they're actively looking for a new job or position because of a dissatisfaction with:

COMPENSATION 	GROWTH OPPORTUNITIES 
NATURE OF WORK PERFORMED 	CORPORATE CULTURE 

The 2017 CRE Financial Analyst Survey Results Are In! In a recent survey of **290 financial analysts** working in the U.S. commercial real estate industry, RETS Associates identified several employment trends. The market for real estate financial analysts – nationally and in many local metro markets – is at or near a high point in the cycle, so hiring should continue steadily. The sixth annual survey results, factored with 43 analyst searches conducted by RETS year-to-date, revealed these key points:

- **The average salary of financial analysts has grown nationwide by 7.5%**, with those holding a master's degree averaging \$105,868, and those holding a bachelor's degree averaging \$91,920.
- The Pacific Northwest boasts the highest starting salary growth at 37.7% increase over the last two years, with the average salary \$92,205.
- The South/Southeast came in second, with a 20% increase over 2 years and an average salary of \$84,444.
- The Mountain (Denver) region declined by 12.2% over the last 2 years, with the average salary now at \$85,625, potentially due to greater supply of analysts than demand.
- Two-thirds of analysts in California are making between \$90,000-\$160,000+.
- **Compensation for analysts with bachelor's degrees and analysts with MBAs and similar master's degrees flipped**, suggesting that, in a broader sense, more junior analysts are needed to work on a larger number of potential deals.
- The highest analyst wage growth in California was found in coastal cities, led by Silicon Valley (36.5 %), San Francisco (9%) and Orange County (10%), followed by Los Angeles that experienced a small decrease from last year.

BASE SALARY AVERAGES BY REGION

Silicon Valley	\$125,625
Northeast	\$107,000
San Francisco	\$106,275
Orange County	\$99,430
Washington, DC	\$98,656
San Diego	\$92,300
Los Angeles	\$92,282
Pacific Northwest	\$92,205
Midwest (Chicago)	\$91,052
Mountain (Denver)	\$85,625
South/Southeast	\$84,444
Texas	\$81,562

JOB SEEKERS

- Just as in 2016, job seekers are looking to online applications and networking to secure jobs, with less experienced analysts searching primarily through basic on-line tools and more seasoned analysts utilizing LinkedIn.
- Last year, analysts were interested in a future career in multifamily and mixed-use projects, with some interest in industrial. This year, analysts expressed their top preference for office, with secondary enthusiasm for industrial.
- More than half (54%) of survey respondents are seeking Acquisitions jobs – this is consistent with previous years as the Acquisition segment is the most sought after. Development and Asset Management came in second and third, respectively.

RECOMMENDATIONS

- Respondents' desire for office careers requires that buyers of real estate financial analyst talent stretch to acquire the most valuable analysts and really understand how young analysts are viewing their future career path. The harsh truth is that 61% of analysts are looking for a job, and once hired, it's important to provide them with opportunities for growth through new responsibilities and fulfillment. Otherwise, they might not stay longer than 2 years.