



FIRST TEAM REAL ESTATE / NEW AGENT

The Realities of Starting a Real Estate Business in 2026

What new agents need to know before they bet on themselves

PROVEN PRINCIPLES. MODERN LEVERAGE. SERIOUS AGENT GROWTH.



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CONTENTS

What you will find inside

01	Before You Believe the Dream	03
02	The Statistics Nobody Leads With	04
03	The False Comfort of a Real Estate License	05
04	Why Most New Agents Really Fail	06
05	The 2026 Reality: Skill Is No Longer Optional	07
06	The Solution: Platform + Plan + Partnership	08
07	The Three Pillars of a Serious Agent	09
08	Your First 90 Days Should Not Be Random	10
09	Modern Leverage: Systems, Tools, and AI	11
10	Proof That the Right Environment Changes Careers	12
11	What I Expect From You	13
12	Bet on Yourself, But Do Not Bet Blindly	14

CLOSING · SOURCE NOTES & DISCLAIMER

JACOB'S PLAY — WHY THIS EXISTS

This ebook is the conversation I wish more people had before they chose where to start their career. First the numbers. Then why those numbers exist. Then the solution: training, support, systems, accountability, modern leverage, and a real plan. My goal is not for you to feel scared. My goal is for you to feel clear.

CHAPTER 1

Before You Believe the Dream

Real estate is one of the greatest opportunities in America. It is also one of the easiest careers to underestimate.

Let me start with the part most people skip. I understand why you are interested in real estate.

I understand the pull. The income potential. The flexibility. The ability to build something with your name on it. The idea that if you work hard, serve people well, and become valuable in your community, you can create a career that gives you more freedom than most traditional jobs ever could.

That part is real.

But there is another part that is just as real, and most people do not hear it until they are already licensed, already paying fees, already too embarrassed to admit they do not know what to do, and already wondering if they made a mistake.

Real estate is not a job. It is a business.

More specifically, it is a commission-only sales business wrapped around one of the largest financial decisions most consumers will ever make. A license doesn't create income. A brokerage affiliation doesn't create clients. A social media post doesn't create a pipeline. A good personality doesn't automatically create trust. And a high split doesn't matter if there is no production to apply it to.

I say that directly because I have been there. I started young. I did not come in with a giant network, a massive sphere, or a family pipeline handing me transactions. I had to build. I had to get uncomfortable. I held open houses over and over. I prospected. I learned the contracts. I figured out how to earn confidence before I felt confident.

I also know what it feels like to have inconsistent income pressing on your chest. To look at the calendar and realize no one is coming to save you. To wonder if you are cut out for this, then get up and do the work anyway.

That experience is why I coach the way I do now. I am building the person I needed when I was new. Someone who tells the truth. Someone who gives structure. Someone who does not let agents hide behind preparation, perfectionism, or confusion. Someone who says, here is what to do next, now go do it.

JACOB'S PLAY — THE CONVERSATION

This ebook is the conversation I wish more people had before they chose where to start their career. By the end, my goal is not for you to feel scared. My goal is for you to feel clear.

CORE PRINCIPLE — THE BOTTOM LINE

The pull toward this business is real. So is the work behind it. Walk in clear-eyed, not starry-eyed, and you are already ahead of most people who get licensed.

CHAPTER 2

The Statistics Nobody Leads With

The default path in this business is not success. The default path is attrition.

The real estate industry has a marketing problem. Not a consumer marketing problem. A recruiting marketing problem.

For years, people have been sold a version of the business that sounds simple: get your license, join a brokerage, work your sphere, post online, and enjoy the lifestyle. The data tells a much harder story.

The market is crowded. Transactions are limited. The income distribution is brutal. The learning curve is steep. The pressure is real. And agents who enter without structure usually do not last long enough to become good. Let that sink in.

THE NUMBERS NOBODY PUTS ON THE RECRUITING FLYER

About 1,500,000	The number of REALTORS® across the nation. More than any other trade.
About 400,000	The number of licensed real estate agents in California alone.
More agents than deals	In Orange County, there are more active salespersons than annual closed escrows. The market is not waiting for one more new agent.
87% fail	According to the National Association of REALTORS®, 87% of agents fail within 5 years of getting their license.
74%	According to TrendGraphix, 74% of agents in Orange County sold 2 or less homes in 2025.
About \$8,100	Median gross income for agents with two years or less of experience.
About \$8,010	Median annual business expense for a REALTOR®. Between fees, dues, and promotional costs, the typical new agent barely breaks even before the business starts producing.

And that is gross income. That is before the emotional cost. Before the awkward conversations. Before the uncertainty. Before the months where friends ask how real estate is going and you don't know how to answer without feeling exposed.

This is why I want you to understand the difference between getting licensed and building a business.

WATCH OUT — CHANGE THE FRAME

Stop thinking like someone buying a lottery ticket. Start thinking like someone launching a company.

A serious business needs capital. It needs a plan. It needs systems. It needs a skill-development path. It needs a daily operating rhythm. It needs accountability. It needs leadership. And if you are new, it needs someone who can shorten your learning curve before the business eats your confidence alive.

CORE PRINCIPLE — THE BOTTOM LINE

The statistics are not here to scare you off. They are here to get you to take this as seriously as the opportunity deserves.

CHAPTER 3

The False Comfort of a Real Estate License

A license gives you permission to compete. It does not give you a business.

One of the most dangerous moments in a new agent's career happens right after they pass the exam.

For a few days, everything feels exciting. You are official. You have a license. Your family congratulates you. You update your profile. Maybe you post your announcement. People comment with encouragement. You feel like the hard part is behind you.

The license was not the finish line. It was the starting line.

The state exam proves you met the minimum requirement to hold a license. It does not prove you know how to generate a lead. Or explain a buyer representation agreement. Or walk a seller through pricing strategy. Or protect a client in a contract. Or follow up without sounding desperate. Or manage the pressure of not getting paid until something closes.

This is where many agents get blindsided. They thought the license was the hard part. Then they realize the actual career is asking them to become a salesperson, consultant, marketer, negotiator, local market expert, contract reader, client psychologist, small-business owner, and follow-up machine all at once. That is a lot to ask of someone who, one month earlier, was studying vocabulary terms.

This is why your environment matters so much. A new agent doesn't need vague encouragement. They need translation. They need someone to take the big, overwhelming business of real estate and break it into actions they can execute today.

JACOB'S PLAY — USEFUL, NOT IMPRESSIVE

When I work with a new agent, I am not trying to make them feel impressive. I am trying to make them useful. That is where confidence comes from. Not hype. Usefulness.

WHAT A USEFUL AGENT DOES

- Knows the contract
- Knows the market
- Knows how to ask questions
- Follows up
- Can explain what is happening without making the client feel more confused

A useful agent does not pretend to know everything, but they know where to go, what to ask, and how to move forward. That is the real beginning of the business.

CORE PRINCIPLE — THE BOTTOM LINE

Passing the exam earns you a seat at the table. What you do in the first ninety days decides whether you keep it.

CHAPTER 4

Why Most New Agents Really Fail

Failure usually does not happen all at once. It happens through a series of predictable avoidances.

Most new agents don't fail because they lack potential. They fail because they lack structure.

Real estate punishes avoidance, but not immediately, which is part of the problem. It lets you drift for weeks. It lets you organize. It lets you research. It lets you redesign your business cards. It lets you watch training videos. It lets you feel busy. Then, months later, it shows you the truth: you have no pipeline.

THERE ARE FOUR TRAPS I SEE OVER AND OVER

01 TRAP ONE: IMPOSTER SYNDROME

A new agent looks at the size of the transaction and thinks, who am I to advise someone on this? In Orange County, where price points are high, the feeling gets amplified. The agent does not feel ready, so they avoid the very conversations that would make them better.

02 TRAP TWO: PERFECTIONISM

The cleanest-looking form of procrastination. Better headshot. Better logo. Better CRM organization. Better content plan. Better website copy. None of those are bad, but they get dangerous when they replace client-facing action.

03 TRAP THREE: OVERWHELM

New agents are drowning in options. Cold calling, door knocking, farming, social media, open houses, online leads, video, mailers, networking, AI, CRMs, seminars, scripts, podcasts, coaching. They try a little of everything, master nothing, and decide the business does not work.

04 TRAP FOUR: CALL RELUCTANCE

This is the killer. Real estate requires real conversations. Not passive posting. Not "I am here if you need anything." Not waiting for the phone to ring. New agents have to initiate, follow up, ask better questions, and hear no without making it mean something about their worth.

DO THIS NEXT — A BIAS TOWARD ACTION

I would rather have a new agent take imperfect action, report back, and let me course-correct them than spend three weeks hiding behind preparation. The gap between training and doing is where new agents get lost. My job is to close that gap.

CORE PRINCIPLE — THE BOTTOM LINE

Potential is not the problem. Avoidance is. Trade preparation for action and report back fast, so a coach can correct the aim instead of watching you stall.

CHAPTER 5

The 2026 Reality: Skill Is No Longer Optional

The industry has changed. The agents who cannot explain their value will be exposed faster.

The 2026 real estate environment is not the same one many agents entered years ago. Consumers have more information. Inventory is tighter. Homeowners are moving less often. Online noise is louder. Commission conversations are more transparent. Buyer agreements matter earlier. Value has to be explained before representation can be assumed.

This hits new agents hardest. In the past, a buyer's agent could often delay the hard value conversation until later in the process. Today, a buyer needs to understand who you are, what you do, how you are compensated, and why signing an agreement with you makes sense before you tour homes together.

That is not a paperwork issue. That is a skill issue.

THE CONVERSATIONS YOU HAVE TO BE ABLE TO LEAD

- Explain your value without sounding defensive.
- Walk a buyer through representation clearly.
- Explain compensation without getting awkward.
- Address what happens if a seller does not offer compensation.
- Help a client make a serious decision without over-talking, under-explaining, or retreating because you are uncomfortable.

A new agent who has not practiced those conversations will feel the pressure immediately.

This is why contract knowledge is not academic. It is not something you learn someday when a deal shows up. Contracts are where credibility lives. When you know the documents, you stand differently. You ask better questions. You can slow the room down. You can make complex things feel manageable for a client.

CORE PRINCIPLE

Consumers can feel whether your confidence is earned or borrowed.

The same is true for market knowledge. You cannot fake local intelligence for long. Consumers can tell when you are repeating headlines versus speaking from actual understanding. The solution is not to panic. It is to train for the market you are actually entering, not the market people are nostalgic about.

CORE PRINCIPLE — THE BOTTOM LINE

In this market, skill is the product. Practice the value conversation out loud until it is yours, because you cannot wing your way through it anymore.

CHAPTER 6

The Solution: Platform + Plan + Partnership

Tools matter. Strategy matters more. The combination is what changes the trajectory.

The answer to the scary statistics is not motivation. Motivation fades. Excitement fades. The emotional high of passing the exam fades. What remains is the system you operate inside and the standard you are held to.

This is where the right brokerage environment matters more than most new agents realize. Most agents ask, what split do I get? Fair question. But it is not the first question. The first question is, who is going to help me create production?

A better split on zero production is still zero.

The question is not just how the commission gets divided. The question is how the commission gets created in the first place. That is the difference between license-hanging and business-building.

At First Team, the platform is already built. Brand credibility. Tools. Systems. Training. Legal support. Technology support. Marketing. CRM. Buyer and listing resources. Company infrastructure. You do not have to build all of that from scratch.

WATCH OUT — ACCESS IS NOT EXECUTION

A CRM does not follow up for an agent who refuses to enter contacts. A marketing platform does not create business if no one knows what to say. A training calendar does not build income if the agent never implements. A brokerage brand helps, but it does not replace the work.

MY CORE BELIEF, IN ONE LINE

First Team provides the platform. I help you turn that platform into production.

You do not need another person telling you that real estate is a great opportunity. You need someone helping you turn that opportunity into a schedule, a database, a script, a follow-up plan, a market routine, a consultation process, and a next step you can execute today.

CORE PRINCIPLE — THE BOTTOM LINE

Pick the environment by one test: who is going to help you create production? Everything else, including the split, comes second.

CHAPTER 7

The Three Pillars of a Serious Agent

Contract knowledge. Market knowledge. Sales skills. Everything else sits on top of those.

When I sit down with a new agent, I don’t want the business to feel mystical. I want them to see the structure. The foundational base is First Team: credibility, systems, support, tools, infrastructure, training, and brand strength. On top of that base are three pillars.

PILLAR ONE — CONTRACT KNOWLEDGE	PILLAR TWO — MARKET KNOWLEDGE	PILLAR THREE — SALES SKILLS
Contracts are where credibility lives in the field. I focus heavily on the Residential Purchase Agreement, the Buyer Representation and Broker Compensation Agreement, and the Listing Agreement. A new agent should be genuinely competent on those three within 90 days. Not perfect. Competent. Able to find things, explain major sections in plain English, ask intelligent questions, and protect the client.	Two layers, regional and local. Regional knowledge can be supported by great resources. Local knowledge cannot be outsourced. You pick a city. You set up MLS hot sheets. You track new listings, price reductions, back-on-market properties, escrows, solds, expireds, and canceled listings. Then you physically preview property. Online research is the floor. Previewing is the ceiling.	Lead generation, lead follow-up, and lead conversion. For new agents, lead generation comes first, because without people to talk to, nothing else matters. The sharpest contract student in the office still fails if they have no leads.

ACROSS THE TOP OF THOSE PILLARS: THE MODERN TOOLS LAYER

01	02	03	04	05	06
MLS	› ZipForms	› Follow Up Boss	› RealScout	› Maxa	› AI

CORE PRINCIPLE

Tools amplify behavior. They do not replace it. I teach systems before tools.

This is also why I do not let new agents live in theory. If you are studying contracts, we also need conversations. If you are learning the market, we also need to preview property. If you are building your CRM, we also need follow-up tasks. If you are creating content, we also need human conversations behind the content. Real estate is learned in the field, but it should not be learned without guidance.

CORE PRINCIPLE — THE BOTTOM LINE

Build all three pillars at once, in the field, with a coach watching the reps. That is what turns a licensee into a professional.

CHAPTER 8

Your First 90 Days Should Not Be Random

The beginning of your career is too important to waste on guessing.

The first 90 days matter because they set the tone for how you think this business works. Spend them drifting, and you start to believe drifting is normal. Spend them hiding, and you start to believe hiding is your personality. Spend them overthinking, and you start to believe overthinking is preparation.

But spend the first 90 days taking action, learning fast, reporting back, building systems, and getting coached through the discomfort, and you become a different kind of agent. That is why I built the First 90 Agent Launch System around momentum.

HOW THE FIRST 90 DAYS ARE STRUCTURED

W1 WEEK ONE IS CREDIBILITY

Accounts. Email. Website. Headshot. Bio. Online profiles. Google Business Profile. When someone Googles you, the search should support your credibility, not undermine it.

W2 WEEK TWO IS FIELD ACTIVITY

Open houses are one of the best early training grounds. You learn how consumers talk, how people ask questions, how to explain the market, how to follow up, and how to be in the room.

W3 THE FIRST THREE WEEKS INCLUDE POWER CURVE

First Team's accelerated training program. Not passive, not motivational wallpaper. It moves you from licensed to operational: basic training, buyers week, sellers week, contracts, MLS, risk management, consultations, offers, listing presentations, seller lead generation, and open houses.

AFTER POWER CURVE: THE 1-3-5 BUSINESS PLAN

01

One income objective

02

Three lead sources

03

Five tactical steps per source

It fits on one page, because if the plan is too complicated to use, it will not get used. Every new agent plan starts with sphere of influence and open houses. Your sphere is the warmest lead source you have, even if it feels uncomfortable at first. Open houses give you live repetitions with consumers. The third source is chosen on your strengths: outbound prospecting, geographic farming, or social media branding.

COACHING QUESTION

Support is not there to make you dependent. It is there to keep you moving long enough for competence to become confidence. Business plans are useful. Training is necessary. But daily course correction is what prevents a new agent from losing a week to confusion, fear, or a bad assumption.

CORE PRINCIPLE — THE BOTTOM LINE

Your first 90 days are a launch, not a warm-up. Build credibility, get in the field, and let daily course correction keep you out of the ditch.

CHAPTER 9

Modern Leverage: Systems, Tools, and AI

AI doesn't replace the human work. It removes the friction around the work that matters.

I believe in proven principles first. Conversations. Follow-up. Market knowledge. Contracts. Consultations. Negotiation. Service. Those are not going away. But it's impossible to ignore modern leverage.

A new agent today has access to tools that can make them look more prepared, communicate more clearly, create faster, follow up better, and study more deeply than agents could in the past. The danger is thinking tools are the business.

Tools are force multipliers. They multiply the quality of the system underneath them.

THE MODERN TOOLKIT, AND WHAT EACH IS FOR

- **Follow Up Boss** becomes the home for every lead, conversation, note, and follow-up task.
- **RealScout** helps buyers engage with property information in a way that creates data and insight.
- **Maxa** helps agents create polished, branded marketing without starting from a blank page.
- **MLS and ZipForms** are the operational foundation.
- **AI** helps create content, prepare consultations, summarize markets, draft follow-up, role-play objections, and build better client communication faster.

For experienced agents, the leverage is even bigger. Many seasoned agents are still doing every part of the business by hand. They have relationships, skill, and market knowledge. What they do not have is enough systems around those assets. So I teach them to use their CRM as a production engine, not a contact list: smart lists, follow-up sequences, client touches, market update systems, and AI-assisted communication that keeps them in front of people without reinventing every message.

AI can help build listing presentations in minutes instead of hours. It can customize marketing language to a specific seller, neighborhood, and price point. It can turn one idea into a full content campaign. It can mine a database for opportunity. It can prepare you for consultations and objections. But it does not replace trust. It does not replace relationships. It does not replace judgment.

CORE PRINCIPLE

The agents who win in 2026 will not choose between old-school fundamentals and modern tools. They will combine both.

CORE PRINCIPLE — THE BOTTOM LINE

Master the fundamentals first, then let tools and AI multiply them. Leverage applied to zero discipline still equals zero.

CHAPTER 10

Proof That the Right Environment Changes Careers

The talent is often already there. What changes is the structure around it.

I don't believe success stories should be used as guarantees. Every agent's result depends on effort, consistency, market, skill, timing, follow-up, and willingness to execute. But success stories show patterns. And the pattern I see again and again is this:

Agents usually have more potential than their current structure is allowing them to express.

AGENT	THE SITUATION	WHAT CHANGED
Valerie Bourg NEW AGENT FROM OUTSIDE THE INDUSTRY	Came to First Team as a brand-new agent after working in hair salons. She already knew how to connect, listen, and build trust.	What she needed was real estate strategy. We built around who she already was instead of forcing her to become someone else. She went on to sell more than \$50 million in her first three years.
Marlene Hennings TALENT WITHOUT PROACTIVE SUPPORT	Drive was there, support at her previous brokerage was not.	We built her brand voice and positioning for high-end coastal Southern Orange County. Within 90 days she secured a listing over \$4 million. Within six months she closed \$10 million in volume. Her business later increased 68%.
Marco Castilleja WINNING BY OUTWORKING EVERYONE	Hustle, heart, and work ethic, but that model becomes exhausting.	By helping him move from hustle into smarter strategy, he increased closings 47% in one year while working fewer hours, and started building a brand and team bigger than himself.

JACOB'S PLAY — WHAT I WANT FOR YOU

Not a copied version of someone else's business, but a real strategy built around their goals, strengths, and life.

WATCH OUT — RESULTS VARY

Agent success stories are examples, not guarantees of future performance.

CORE PRINCIPLE — THE BOTTOM LINE

The common thread is not luck. It is structure meeting talent that was already there. The environment you choose decides how much of yours gets expressed.

CHAPTER 11

What I Expect From You

This works for serious agents. It does not work for agents who want to be left alone.

I want to be very clear about something: my coaching is not magic.

First Team's platform is powerful, but it will not do the work for you. Power Curve is valuable, but you still have to implement. The daily coaching calls are useful, but only if you took action before you made the call. AI is a force multiplier, but it cannot multiply zero discipline.

If you work with me, I am going to tell you the truth. Not to be harsh. To protect your opportunity.

WHAT I EXPECT FROM THE AGENTS I COACH

- Be coachable. Do not defend confusion. Bring it forward so we can solve it.
- Move quickly. Speed of implementation matters.
- Track your conversations, leads, notes, and next steps.
- Practice scripts out loud. You cannot think your way into fluency.
- Protect your calendar.
- Take action before you feel ready.

Most importantly, I expect you to tell the truth about what is happening. If you are scared, say that. If you did not make the calls, say that. If you are confused, say that. If money pressure is affecting your mindset, say that.

Shame lives in the shadows. Once we bring the truth into the light, we can work with it.

WATCH OUT — THIS IS NOT FOR EVERYONE

If you want to hang your license somewhere and be left alone, this is probably not the right environment. If you want the cheapest path with the least expectation, this is not it. If you want to be told what you want to hear while avoiding the work, I am not the coach for you.

DO THIS NEXT — IF YOU ARE SERIOUS

But if you want to build a real business, if you are willing to be challenged, if you want structure, if you want accountability, and if you are ready to bet on yourself with a real plan behind you, then we should talk.

CORE PRINCIPLE — THE BOTTOM LINE

I will give you the truth and a next step. Your job is to be coachable, move fast, and tell me what is really going on. That is the whole deal.

CHAPTER 12

Bet on Yourself, But Do Not Bet Blindly

The opportunity is real. The solution is structure.

I believe real estate can change your life because I have watched it happen. I have watched brand-new agents become legitimate professionals. Second-career agents turn past skills into real estate success. Experienced agents rediscover purpose. Top producers uncover hidden opportunities. Agents create more income, more confidence, more identity, and more freedom than they had before.

But I have also watched people disappear from the business because they underestimated it. They thought wanting it would be enough. It wasn't. They thought getting licensed would be enough. It wasn't. They thought joining any brokerage would be enough. It wasn't. They thought a better split would solve a production problem. It didn't.

So here is my honest advice: bet on yourself, but do not bet blindly. Bet on yourself with the right environment. With training. With support. With a business plan. With systems. With accountability. With someone who will tell you the truth and then help you take the next step.

The statistics are scary because they should be. The market is crowded. The failure rate is high. The income gap is real. The skill requirement is rising. You shouldn't walk into that casually. But you also should not let those statistics steal your ambition.

The fact that most people fail does not mean you have to. It means you need to stop acting like most people.

SO DO THIS INSTEAD

- Get serious earlier.
- Build competence faster.
- Ask for help sooner.
- Follow up longer.
- Choose an environment that gives you more than a logo and a login.

CORE PRINCIPLE — WHERE THIS LEAVES US

First Team provides the platform. I provide the execution support. Your job is to show up, do the work, tell the truth, and keep moving.

That is how you give yourself a real chance. That is how you get to the other side. And if you are serious, I would be honored to help you build it.

CORE PRINCIPLE — THE BOTTOM LINE

Bet on yourself with a real plan behind you. The opportunity is real, and so is the structure that protects it.

LET'S TALK

If you are serious about building a real business, reach out.



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SOURCE NOTES & DISCLAIMER

The fine print

This ebook was created using Jacob Lawlor's coaching framework and actual agent success stories. Industry statistics summarized here are based on that report's compiled data from various sources, including the National Association of Realtors, the California Department of Real Estate, Orange County market indicators, and related industry analysis. The coaching methodology described is based on Jacob's documented new-agent coaching approach at First Team Real Estate.

Individual results vary. Agent success stories are examples, not guarantees of future performance. Real estate production depends on individual effort, market conditions, licensing status, consistency, skill development, compliance, follow-up, local market conditions, and execution. No income, client, listing, escrow, closing, split level, or production outcome is guaranteed.

All brokerage fees, commission structures, tools, program eligibility, training availability, and company policies are subject to written agreements with First Team Real Estate and may change. This ebook is for recruiting, educational, and discussion purposes only.

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