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RE-Max Accord gains new office in Livermore with merger

Aboumrad takes former franchises independent

East Bay Business Times - by [Jessica Saunders](#) Staff reporter

RE-Max Accord is adding a ninth office in Livermore in what may be a sign of the times as residential real estate brokerages adapt to the lingering housing downturn.

RE-Max Accord was able to merge with Valley Properties because another RE-Max franchise, RE-Max Executive, left the national brand to become independent **Legacy Real Estate Associates**.

RE-Max Accord's merger with independent Valley Properties, its fourth addition in the last 18 months, takes effect Sept. 1.

"We have the scale and the branding and so on. They have experienced agents," said Michael Carter, vice president of RE-Max Accord, based in Danville. "It's sort of the best of both worlds: we bring the numbers, the technology and the branding, and they have the local presence."

RE-Max Accord, owned by Jerry and Stephanie Stadtler, has 400 agents in two offices in Danville and one each in Blackhawk, San Ramon, Pleasanton, Fremont, Montclair, Lafayette and Walnut Creek. The Fremont office opened Jan. 1. RE-Max Accord merged with Centoni Real Estate in Blackhawk in November 2007. It acquired RE-Max East Bay Hills in Montclair in April 2007, Carter said.

The housing market downturn is creating opportunities for companies like RE-Max Accord, Carter said. "We, as a company that is larger and more stable in the area, are looking to integrate smaller companies into our organization."

Small owner-operated companies in small markets can struggle with rent and overhead in a down market, Carter said. "Those are opportunities we are looking for."

RE-Max Accord's moves into the Fremont and Livermore markets were made possible when the operator of RE-Max Executive offices in those cities decided not to renew his franchise licenses. Company rules previously prevented more than one franchise in a given market, although it's in the process of changing to a geographic radius limit, rather than market limit.

Bill Aboumrad, who operated RE-Max Executive, opened Legacy Real Estate Associates in Fremont

in January with 130 agents, and converted his 30-agent Livermore franchise to the new brand this month as well.

The move saved the brokerage \$40,000 to \$45,000 a month in franchise fees, or \$275 a month per agent as of January, said Aboumrad, president and owner of Legacy Real Estate Associates. The fees, less of an issue when agents were closing multiple sales each month during good times, began to pinch agents as sales fell off, and most agreed with Aboumrad that it was time to go independent, he said.

“It was kind of a cost-benefit analysis – how much we were paying RE-Max every year vs. what we were getting from RE-Max for the money,” Aboumrad said. “In this kind of market right now, you are watching every penny, so to speak. Cost is important, so is independence and freedom.”

The Fremont office has remained the top brokerage in Fremont, with \$100 million in closed sales for the first two quarters of 2008, he said.

RE-Max Accord expects to be the dominant brokerage in Livermore, Carter said. Its Pleasanton office ranked sixth in market share in Livermore for 2007 with \$47.4 million sales volume, while Valley Properties ranked fourth with \$75.6 million in sales.

Valley Properties, which has 20 agents, is owned by Joan Rushford, Eleanor Pemper and Judi Irwin.

Three of its agents are leaving to form a new Livermore brokerage, Buena Vista Properties, on Sept. 1. Broker Janice Marino plans to operate the company with her husband Ky Marino and their daughter Andrea Marino Bodin as sales people. Janice Marino said she did not want to be part of a national franchise, which mandates agent fees.

“I am not receptive to that. I need to be freed up to negotiate more and not have the franchise restraints,” she said.

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