

Edina Realty parent expands into south Florida

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Edina Realty parent HomeServices of America leaped into a third corner of the country Tuesday, buying a suburban Miami real-estate brokerage that last year closed \$1.8 billion in sales.

HomeServices, the nation's second-largest real-estate brokerage, acquired Esslinger-Wooten-Maxwell Realtors (EWM) in Coral Gables, a company with 11 offices and 750 agents. HomeServices also bought businesses affiliated with EWM that provide title, mortgage and insurance services. Price and terms were not disclosed.

"We now have a presence in two of the fastest-growing markets in the country -- California and Florida," said HomeServices and Edina Realty CEO Ron Peltier. EWM's business is centered in the Miami and Fort Lauderdale markets. Peltier called EWM "a premier company, one providing "a stronghold in the south Florida market and a platform from which to expand our presence throughout the state." In the greater Miami area's two counties, EWM is second in Dade and sixth in Broward, as measured by value of closed sales, said HomeServices controller Cindy Sattler.

EWM was founded 39 years ago by three women who gave it their names, Peltier said. It later was sold to two men, one of whom, Ron Shuffield, will remain its president and CEO. HomeServices' strategy is to expand across the nation by buying leading brokerages in strong markets and operating them under existing management and names.

"We don't make acquisitions where the senior leadership is not committed to stay on and run the company," Peltier said. HomeServices brokerages that do not have mortgage and title affiliates -- which have higher margins than residential real estate -- soon start them.

"South Florida is one of the hottest real-estate markets in the country and has an incredibly bright future for growth," Peltier said. He said the state has many people's second and third homes and a growing population.

The purchase gives HomeServices 16 brokerages in 16 states, including brokerages in southwest and southeast coastal states and the Chesapeake Bay, plus its early core of companies in the Midwest. The acquisition will increase HomeServices' annual sales volume to more than \$45 billion, Peltier said. The nation's largest brokerage, Coldwell Banker Burnet parent NRT, based in New Jersey, closed sales of \$150 billion last year.

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