

REAL ESTATE NEWS

Independents shrug off franchiser affiliation

By Doug Funk
staff writer

Not every Realtor is affiliated with a nationally known firm like Century 21, Coldwell Banker and Better Homes and Gardens.

Weldon Clark and Ronald Fron in Livonia and Robert Bake in Plymouth prefer to go it as independents.

Bowen Brook, with offices in Birmingham, Bloomfield Hills, Orchard Lake and Clarkston, and Bill Bowman Sr., owner of Thompson-Brown Realty Co. with a presence in Farmington Hills, Livonia and Novi, also prefer to hang out their own shingles.

They don't have bad things to say about franchises, and some have even been approached to sign up.

It's just that they believe they've built reputations in the community, and wouldn't really benefit all that much by paying a franchise fee and a percentage of sales to get their names before buyers and sellers.

"A relatively successful local Realtor doesn't necessarily feel that's something they need to have," Brook said. "We never felt the need to pay someone for a sense of identity since we already have one of our own."

LONGEVITY in the business is a common denominator for independents. So, too, is being active during major building booms and involvement in civic groups and community affairs.

Brook's grandfather, Max, founded the firm 88 years ago. It now employs some 90 sales associates and a dozen clerical workers.

"More people are impressed with a national firm," Clark said. "However, in many cases, people would rather deal with someone they know, people they have confidence in through a parish or Rotary Club."

Concerns about getting bogged down in franchise matters is the detriment of selling houses is one reason Clark said he decided against going that route.

"What we lack in competition with them I would say is attracting new sales people," Clark said. "As far as attracting new business, we always felt we were doing well enough that we didn't need to franchise."

Clark and Fron, partners for 15

years, employ nine.

Bake attributes his success in great part to good fortune as well as hard work.

"I HAPPENED to be in the right place at the right time at a young age," he said. "I could never repeat the success I have today if I didn't start here in 1987. I was here before all the subdivision growth west of Shelden."

"Working long hours and seven days a week begins to come back to you in repeat business," said Bake. He and his seven sales associates recorded sales of some \$22 million last year.

Bowman has worked for Thompson-Brown, founded in 1924, for nearly 40 years. Even though the

lion's share of business last year was in the commercial/industrial end, the firm sold some \$8.8 million of real property.

Success, whether as an independent or franchisee, depends on individual experience and motivation, he said.

"We find it's a very personalized service," Bowman said.

Why do independents affiliate with national firms?

"They go for tools, all the packages, tremendous marketing tools, mailings," Bake said. "They feel it's important, name recognition, nationwide."

INDEPENDENTS DON'T necessarily offer lower commissions than national firms. They don't necessari-

ly advertise more or less. That's why sellers should interview two — maybe one of each — before deciding on a lister, Bake advised.

Ask how an office is organized, how commissions are shared, he said. It could make a difference in how information gets out to the buying public.

Some independents belong to a relocation network that gives some advantages of membership in a national firm.

But when push comes to shove, individual performance doesn't hinge on whether an agent works for an independent or franchisee, real estate professionals generally agree.

"This is very much an entrepreneurial business," Brook said.

Lack of closing time allows purchaser to back out

The broker listing our home brought us a purchase agreement he prepared. The agreement gave the buyer and seller five days to have certain contingencies removed from the agreement, including the review of the agreement by the purchaser's attorney. After five days, the purchaser made no changes. Then it became clear that one of the clauses on the purchase agreement was left out — namely the time of closing — and the purchaser has since backed out, saying the agreement is not valid. What can I do?

It appears that a material provision of the purchase agreement was deleted. While you can argue that in the absence of the purchaser with-

drawing, obviously the time of closing could be negotiated and made an addendum to the purchase agreement. Because the purchaser is apparently looking for a way out of the agreement, he may have a basis to go so. But you may have a claim against the Realtor for not representing your best interests in terms of assuming the responsibility of preparing the purchase agreement. Damages would include that portion of the earnest money deposit to which you were entitled in the event of a purchaser default.

Our condominium is adjacent to a golf course. Often golf balls have broken several windows in the



condo queries

Robert M. Melaner

project. We believe that the golf course should have some responsibility, and we are concerned about the fact that the developer did not warn us of this hazard when we purchased. What is our recourse?

I would suggest that you contact the board of directors or administrator of the golf club to advise them of the problems and to explore ways of

resolving them. Reimbursing the association for the costs of errant shots is one approach as well as possibly implementing certain preventative measures such as placement of trees or fencing/landscaping to deal with the problem esthetically.

While it would have been prudent for your developer to disclaim any responsibility, it is hard to conceive how people could purchase the condominium without knowledge that they may be subject to errant golf balls if they knew they were adjacent to a golf course.

On the other hand, the association should be most concerned about potential personal injuries to residents of the condominium, and efforts

should be taken to minimize the risk. It may even behoove the board to, on its own, take whatever measures it deems necessary to alert members to this potential hazard and to see whether there are any procedures that can be implemented internally at the condominium to minimize the risk of damage to person and property.

I am buying a condominium that is under construction. But the developer ceased construction of the condominium, and I understand that the developer is in financial peril. There has also been some rumor about the fact that the developer was selling out certain units. I want my money

back. The unit has laid dormant for many months, and I have not gotten a straight answer from the developer's sales representatives. What can I do, as the time for the agreement becoming binding on me has long since passed?

You should consult with an attorney to examine whether the developer has dotted all of the i's and crossed all of the t's, so to speak. This writer has had experience in similar situations where the developer was found to have either not placed a purchaser's monies in escrow or made material omissions or misrepresentations in the disclosure statement.

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