

# Cornering the Market

FOUR REAL ESTATE FRANCHISES WITH EXPANDING OPPORTUNITIES ON OFFER

The real estate industry in Canada is thriving, and franchise brands in this sector continue to expand, with more franchise opportunities available from coast to coast.

This is good news for Canadians who are looking to get in on the industry action, and are sold on the idea of investing in a real estate franchise.

Here, *Franchise Canada* shines a spotlight on four hot properties in the Canadian real estate sector, including brokerages and private real estate franchises.

## CENTURY 21

CENTURY 21 was Canada's first real estate franchise system, starting in Vancouver when U. Gary Charlwood, along with his then-partner, secured the master licence for Canada in 1976, the first international franchise. Today, his son Martin is Vice-Chair and CEO of CENTURY 21 Canada, and the company has expanded east, with 400 offices from coast to coast.

The company is recognized as providing the best training and coaching for realtors, says Martin Charlwood, plus proven marketing and state-of-the-art technology systems. "We were one of the first real estate franchises Canada to have a national website platform, and have just completed a website redesign that will launch this fall. The technology will help franchisees and realtors with SEO and lead generation."

CENTURY 21 Canada also continuously updates tools and training for franchisees. "The annual Canadian Management Academy is five intensive days of the most current, relevant, and engaged material to help CENTURY 21 brokers proactively and profitably run their businesses and get a leg up on the competition," says Charlwood.

Additionally, brokers in different regions meet regularly to network and share best practices, and attend an annual Canada Conference that offers business planning sessions and information about best practices and industry trends. A global referral network generates thousands of leads annually, which are distributed to local offices in 36 countries around the world.

Successful franchisees have an ability to learn from each other, and to build relationships with a wide range of industry professionals, says Charlwood. And patience – building a successful business takes time. Each year, 50 of the top-producing or geographically strategic CENTURY 21 companies are invited to attend the Chairman's Circle retreat, a four-day think tank and opportunity to learn best practices and engage with industry thought leaders.

In 2018, CENTURY 21 is targeting three main cities for franchise growth: Vancouver, Ottawa, and Montreal. "When you join our brand, we've done the homework, and provide the franchisee with proven business-building tools," says Charlwood. "You just need to focus on running and growing your business. The most successful franchisees take advantage of everything available to them and fully engage with the brand."

## PropertyGuys.com

PropertyGuys.com is a real estate marketing company, the brainchild of three East Coast post-secondary students with less than \$100 in their collective pockets, and a brilliant idea. "We drove by 'For Sale By Owner' signs every day on the way to class, and thought there had to be a better way for people to sell without using an agent," says President and CEO Ken LeBlanc who, along with partners Jeremy Demont and Walter Melanson, still owns and runs the business. The company was established in Moncton in 1998 and grew quickly, with the first franchise opening in 2002.

"Today we are North America's largest private sale franchisor, with more than 100 franchise partners in more than 600 communities across Canada, coast to coast," says LeBlanc, who notes that the company has received Franchisees' Choice Awards from the Canadian Franchise Association every year since 2011. But there is always room for growth. Currently, the company is targeting key locations in Ontario, Alberta, and B.C., with some opportunities in Saskatchewan and Manitoba.

LeBlanc says PropertyGuys.com is an ideal franchise for a person who loves to hustle, enjoys meeting new people, and is passionate about helping others. Franchisees don't need a real estate licence or industry experience, just a drive for success.

Training includes an online segment to give everyone a base knowledge foundation, followed by five full days at PropertyGuys.com University, where franchisees earn a PSP designation (Private Sales Professional) and learn the Playbook 365 marketing system. On an ongoing basis, franchisees receive support through the business development team and peer mentorship program, by attending regional meetings and monthly webinars, and connecting at the annual conference.

"We have a great culture; it's an East Coast 'family' mentality," says LeBlanc, who advises franchisees to "follow the system, learn from your peers, and take steps to move forward every day."

## Royal LePage

Royal LePage can trace its roots back to 1913, when A.E. LePage started his Toronto-based brokerage. The company merged with Royal Trust in the mid-1980s to become Royal LePage, and began franchising in the early 1990s. Today it's Canada's largest real estate company, says CEO Phil Soper. "We are double the size of the next largest company, with 18,000 realtors across the country."

While some franchisees in larger cities are hands-off investors, the majority are broker-owners who started out as agents themselves. "We are one of the more costly franchise systems, and we are seeing significant growth from existing businesses that want to move to the next level," says Soper, who notes that the main role of franchise owners is to recruit, manage, and support realtors in their markets. That requires leadership, ingenuity, empathy, and focus, to provide realtors with the optimum environment to be successful. "We are looking for people who can manage a professional services practice – someone with business acumen, experience in the real estate industry, and a holistic approach to running a profitable full-service brokerage. We provide best-in-class products and services to attract and retain the industry's top talent, and have a strong culture of cooperation and collaboration with leading broker-owners from across the country."

New franchisees initially receive three days of proprietary training to learn how to run a brokerage the Royal LePage way. Ongoing support is provided through regional meetings and an annual leadership conference, as well as ongoing workshops and coaching.

Soper says that real estate is now the largest sector of the Canadian economy, and he foresees continued opportunities for new Royal LePage franchises, particularly in Toronto, Vancouver, and Montreal. "Population growth drives demand for housing, and Canada is the fastest growing advanced country on earth."

## Sutton Group

Since 1983, Sutton has been a 100 per cent Canadian-owned business that broke the industry mold by putting its agents at the centre of the transaction, says President and CEO Drew Keddy. "The Sutton system is the only national real estate franchise that provides the freedom for our agents to independently build and grow their own business, while still being part of a large national network of successful agents. Sutton agents consistently outperform the national average."

"A franchisee should have leadership qualities, similar to a coach or captain of a sports team," says Keddy, who feels that a culture of mentorship is a large contributor to the brand's success. "They should also have passion for the business and take pride in their agents' success. Franchisees can be brokers or investors. You have to know the real estate business, or hire someone who does."

Training is offered online at what Keddy describes as "our Netflix-inspired Sutton University online training and resource centre," as well as in person at professional growth-oriented events.

While many kinds of franchises may have a consistent, regimented system, that doesn't always work with real estate, Keddy explains. "When you open a franchise, you are running your own business, and not every business looks the same because every market is very different." Sutton encourages a culture of collaboration and camaraderie, and franchise owners often help each other come up with solutions to unique problems.

"We are fairly well established in B.C. (where the company was founded), and we have a large market presence in Quebec. There is a correlation between market share and profitability," says Keddy, as he explains why this year the company is focusing on increasing its market share in Ontario. "There are opportunities for new franchises in small communities across the province, but there are also spots in Toronto."

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