

MOST-  
ADMIRED  
CEOs

## MARK MCLAUGHLIN CEO, PACIFIC UNION

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CEO

Pacific Union

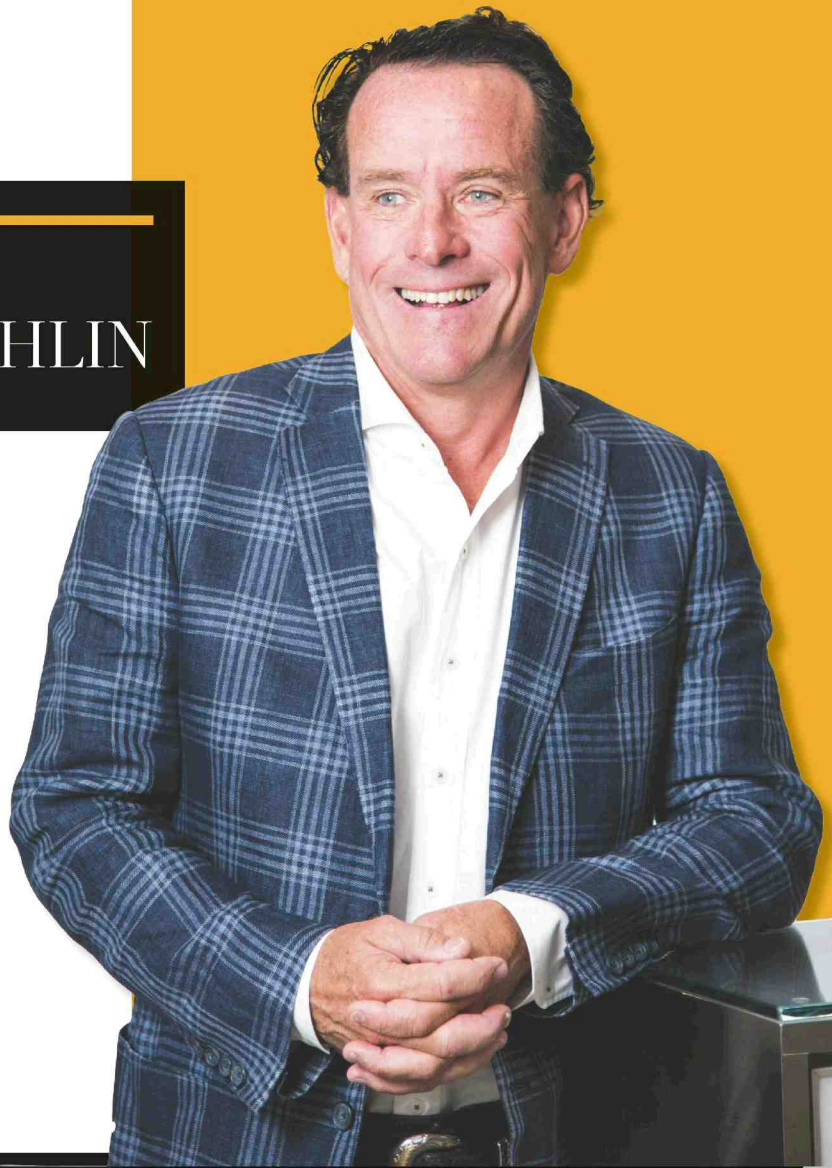
2016 revenue: \$242.8 million

HQ: San Francisco

**Recent business highlight:** During the past year, Pacific Union acquired three other firms: Partners Trust and John Aaroe both based in Los Angeles and Empire Realty Associates based in the East Bay.

**Management style:** McLaughlin seeks three key characteristics in his employees: a competitive stripe, good instincts and confidence. He developed those attributes in himself from his years playing soccer and lacrosse in college. His other philosophy is to stay the course regardless of circumstances. "If you're going to execute vision, you have to do it on rainy days and sunny days," he said.

**Philanthropy:** McLaughlin serves on the board of the Leukemia & Lymphoma Cup Race and has given more than \$1 million to Pacific Union's Community Fund, UCSF Benioff Children's Hospital, and various schools throughout the Bay Area.



\$6  
billion

#### BIG NUMBER

Amount in sales volume Pacific Union was able to add in the last year due to a variety of acquisitions.

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Mark McLaughlin has spent more than 25 years working for and managing companies across the spectrum of real estate from internet startups to commercial real estate to now running a large residential brokerage.

And yet, McLaughlin insists he's not really in the real estate business.

"I'm in the people business," he said. "I motivate people every day. If I don't get the people right, the rest doesn't matter."

McLaughlin first ventured into real estate 10 years after graduating from the University of California, Berkeley. He started working for a commercial brokerage and his boss at the time, Bert Damner, advised him to reinvest his earnings in real estate. He and his then-wife, Tracy McLaughlin, started building

homes in Marin County and then Tracy became an agent. The couple later founded their own residential brokerage firm, Morgan Lane, that grew to 24 agents.

In 2009, the McLaughlins took a gamble to buy Pacific Union, a residential firm with more 400 agents with 17 offices in the Bay Area, soon after a mortgage crisis triggered the Great Recession and home sales tanked.

It was exciting — and scary.

"The next day, I thought it was the dumbest idea I ever had," he said. "We were going from a firm Tracy and I could run from our kitchen table with our own checkbook to one that was larger than life ... It was terrifying."

The bet has paid off. During the past few years, the company has grown steadily through a variety of acquisitions, including the Partners Trust and John Aaroe residential brokerages in Southern California, East Bay-focused Empire Realty Associates and the Mark Co., a San Francisco condo marketing and research firm.

Thanks to those deals, Pacific Union more than doubled its number of real estate agents to 1,500 and added roughly \$6 billion in sales volume to reach \$10 billion last year. The company expects sales volume to swell to \$18 billion for the current fiscal year.

Pacific Union is not just growing, but taking market share, said David Frosh, who sits on the board of Pacific Union and owns a portfolio of real estate companies. The two met years ago when Frosh was McLaughlin's boss at commercial real estate brokerage Sperry Van Ness.

McLaughlin stands out among executives because of his ability to be both results-driven and good with people. Typically, he said, executives are either one or the other.

"He expects people to dream, whether it's agents or senior managers," Frosh said. "He gives people autonomy and lots of trust. He's accepting of mistakes and doesn't throw temper tantrums. At the same time, he's demanding as can be. It's the combination of the two that is the magic."

