

HOME BUILDER MAGAZINE



AGRON OPTS
FOR OPPORTUNITY

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AGRON OPTS for OPPORTUNITY

By Roger Yohem

Randy Agron knows his way around a financial balance sheet. In fact, he's so astute, he's often able to spot obscure opportunities hidden in the ledger lines.

That keen insight will put him to the test as 2008 Chairman of the SAHBA Board of Directors. Agron, a CPA with deep real estate experience, inherits the gavel at a time when new home sales are drowning in red ink.

"We have to realize that the market is the market. We have to look for opportunities we didn't have when the market was crazy," said Agron, Vice President & Chief of Operations for A.F. Sterling Home Builders. "There will be opportunities we didn't want to chase a few years ago."

Because the housing squeeze is pinching the budgets of local municipalities, Agron sees an opportunity to improve government relations. For example, Pima County Administrator Chuck Huckelberry has queried SAHBA: What can we do for you?

"My response is now is the time to work closer with Pima County and Development Services. They need to understand we're not going to abuse the system. Rather, let's explore together how to be better partners," said Agron.

Weak cash flow and layoffs in home building will trickle down to government employees. That worry might spark an interest in forming a special task force with the County to minimize the economic impact on both parties.

"It's an uphill battle, but a concept I want to explore," he said. "We've been saying for years that government needs other sources of revenue besides builders. I think we can help them with that."

Flanking government's Staff-run operations are its elected officials. Since Agron will serve during a major election cycle, that creates another opportunity.

"We must start now to focus on the 2008 elections," he said.

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That process involves helping PAC Chair Carl Schroeder (Kadon Land Company) renew SAHBA's SuperPAC status; run a comprehensive candidate interview and endorsement process; and communicate to SAHBA's 35,000 members.

"My focus will definitely be on finances, like maintaining an adequate war chest to elect candidates who are balanced, and to keep



Top: Agron and PAC Chair Carl Schroeder have an opportunity to make a difference in the 2008 elections.

Bottom: After a recent meeting at SAHBA, Agron thanked Congresswoman Gabrielle Giffords for her interest in builder-related issues.

fighting bad regulations," he said.

A broader coalition of business interests must invest in this goal. By looking "at all affected people," administrative and financial resources can be pooled.

"The day has passed when SAHBA does it alone," he said.

EARLY CAREER DAYS

About 20 years ago, Agron was first exposed to SAHBA while working for The Ashland Group. A contentious issue was brewing and he was sent to a meeting.

"I saw how determined the

Association members were when I heard people like Patti Noland and Paula Meade talk about the injustices levied on builders by elected officials," he said. "I was impressed."

A.F. Sterling's involvement peaked in 1996 when co-owner Peter Aronoff served as SAHBA President. Sales Manager Barbara Tarrish, now retired, was hyperactive, described by Agron as "our spokesperson, liaison and networking guru to SAHBA."

As SAHBA's reorganization unfolded in 2003, Randy was asked to serve on the Board as Treasurer. Retiring Treasurer Chuck Myers (Compass Bank) recruited Randy, who was intrigued by the pending restructuring.

"I thought the Board's decision to invest in full-time employees for communications and lobbying was an excellent administrative move," he said.

After talking with Myers, Agron realized he was well prepared and willing to take a leadership role.

Today, Agron sees similarities in SAHBA's and Sterling's structures. Both are flat organizations and at Sterling, "there isn't anyone we don't listen to." That same philosophy will shape his management mode as Chairman.

"Everyone's opinion is valued, we want them to participate. People with different perspectives should have their opinions considered," he said.

TIME TO BE CONSERVATIVE

With about 40 full-time employees, Sterling completed about 100 homes in 2007. In a normal market, Agron said they would shoot for 200

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starts. They are slowing down by design.

"It's dollars you take to the bank, not units," he said.

Sterling also is being conservative in other operations, especially land.

"We don't have a Land Department in the traditional sense. I guess you could say I am the Land Department, but Peter has the golden touch, he's real intuitive," said Agron. That frees up Randy to perform due diligence and negotiate the terms of the sale.

"There are opportunities in land now," he added cautiously.

MARKETING AND MEMBERSHIP

Randy also brings broad marketing skills to the Director's table. He blushes that "maybe I know too much about marketing," and laughs that he "sticks his nose" in Sterling's Sales & Marketing function run by Mike Collins.

But that expertise could drive another opportunity for SAHBA: to increase non-dues revenue. In addition to making existing events more cost-effective, he wants to explore other activities to bring in new funds.

If better marketing can increase participation that, in turn, increases revenue, he's for it. Likewise, programs that are not cost-effective or have little member participation could be eliminated.

While "members catch their breath" during this down market, another opportunity could be "to promote good business ethics in our industry," he said. It's important to promote professionalism and remind members that integrity pays off in repeat business, long-term

stability, and good standing in the community.

"To be a success, I believe in high standards. That's what we stand for here, and for the most part, so does SAHBA when dealing with 700 different companies and personalities, beliefs and values," Agron said.

As one of SAHBA's youngest presidents ever, Agron has a unique set of business skills combined with a passion for real estate and a splash of enthusiasm.

"As Chairman, I want to look at every single opportunity to make SAHBA better," he said.



Jerry Holmes of Westar Direct Kitchen & Bath (left) and Agron check raffle tickets at a Membership Mixer.



Board member Dave Nathanson (Regier Carr & Monroe) on left, Steve Magelli (OPW Engineering), and Agron talk politics at a SAHBA Governmental Liaison breakfast.

TUCSON NATIVE

Randy Agron, 43, Vice President & Chief of Operations for A.F. Sterling Home Builders, holds a B.S. in Marketing and an MBA with an Accounting emphasis from the University of Arizona. He joined A.F. Sterling, a three-time SAHBA Builder of the Year winner, in 1999 as Controller.



He is a CPA, having worked for Ernst & Young, Dun & Bradstreet, and The Ashland Group. His auditing expertise is in real estate, building, health care and high-tech.

With an avowed "passion for real estate," he earned his Real Estate license during his senior year of college. His grandfather, Meyer Agron, dabbled in buying and selling land around town in the late 1950s into the 1960s.

Randy has served four years on SAHBA's Executive Board, and two years as "the numbers guy," ie, Treasurer. He is a SAHBA SuperPAC Trustee.

Randy and his wife Vikki, also a native Tucsonan, have two children. For their soccer and softball teams, "Dad" gets to trade in his financial calculator for a coach's whistle.

Randy has served on the Amphitheater School District's Blue Ribbon Budget Analysis Committee and was Treasurer for LEAP AHEAD, a PAC that worked to pass Amphi's recent facilities bond.

He also volunteers for the American Heart Association's Tucson Annual American Heart Walk.