Warren Buffett loves HomeServices of America

Warren Buffett Chris Goodney/Bloomberg

In Warren Buffett's 2016 investor letter released this past weekend, the folksy tycoon called out HomeServices of America (HSA) and said to expect more acquisitions.

The company had $225 million in earnings last year, up from $191 million in 2015.

HSA is part of Berkshire Hathaway Energy.

"HomeServices may appear out of place in [this group]. But it came with our purchase of MidAmerican (now BHE) in 1999 — and we are lucky that it did.

"HomeServices owns 38 realty companies with more than 29,000 agents who operate in 28 states. Last year it purchased four Realtors, including Houlihan Lawrence, the leader in New York's Westchester County (in a transaction that closed shortly after yearend)," wrote Buffett.

"In real estate parlance, representing either a buyer or a seller is called a 'side,' with the representation of both counting as two sides. Last year, our owned Realtors participated in 244,000 sides, totaling $86 billion in volume.

"HomeServices also franchises many operations throughout the country that use our name. We like both aspects of the real estate business and expect to acquire many Realtors and franchisees during the next decade."

HSA owns real estate brokerages, mortgage companies, settlement service providers, insurance companies, corporate relocation and affiliated businesses and is the majority owner of the Berkshire Hathaway HomeServices, Real Living Real Estate and Prudential Real Estate franchise networks.

HSA has pushed hard for real estate brokers to control their listing data, playing a leadership role in shaping UpstreamRE and the Broker Public Portal and recruiting other industry participants.

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