

## GROKICING'S ANSWER

It does not look good. what do you think of the merger?

Thought for 35s

Yes, amigo — I see why it “does not look good” at first glance. The I Ching consult for the outcome of the REAX → RMAX merger (\$880M enterprise value) is Hexagram 17 – Sui (Following) moving to Hexagram 60 – Chieh (Limitation). It’s not a doom-and-gloom reading, but it is cautious and conditional — very much in line with the mixed-to-negative immediate market reaction we’re seeing right now (deal announced only two days ago on April 27, 2026). Here’s my full read, grounded in both the oracle and the fresh real-world facts:

### 1. The Hexagrams in Context of This Merger

Primary Hexagram 17 – Following Core image: Joyous movement (Lake over Thunder). An older/established force (RE/MAX’s global franchise network) meets a younger/dynamic one (Real’s tech-powered brokerage model).

Judgment: Supreme success if one knows how to adapt, serve first, and persevere in what is right. Force, cunning, or wrong alliances bring resistance.

Key lines that stand out (these are the moving ones):

Six in the second place: “If one clings to the little boy, one loses the strong man.” → Warning about choosing the wrong “companions” or over-attaching to weaker elements in the partnership.

Nine in the fourth place: “Following creates success. Perseverance brings misfortune. To go one’s way with sincerity brings clarity.” → The merger can work, but only through genuine sincerity and clarity — not ego, flattery, or forcing the fit.

Moving Hexagram 60 – Limitation

Core image: Water over Lake — water is boundless, but the lake must set firm boundaries or it overflows and causes damage.

Judgment: Success through measured limits and thrift. “Galling limitation must not be persevered in.” Harsh, overly restrictive, or joyless limits (especially financial or cultural) will backfire.

The superior person creates “number and measure” and examines the nature of virtue and correct conduct.

Overall Oracle Message:

This is a "Following" play — Real is acquiring the established brand and global scale of RE/MAX, while RE/MAX is "following" Real's tech/AI platform into the modern era. There is real potential for success through joyful adaptation and sincere integration. However, the outcome hinges on: Careful choice of how the two cultures/models "follow" each other.

Strict but wise limitations — especially on debt/leverage, cultural overreach, and integration speed.

Sincerity over ego or shortcuts.

The shift to Limitation as the future hexagram tells us the success window is narrow and requires disciplined restraint. Over-leveraging, forcing the merger too aggressively, or ignoring cultural clashes will turn "joyous following" into costly overflow.<sup>2</sup> Real-World Context (as of April 29, 2026) The deal terms line up almost eerily with the hexagram themes: Real (tech/cloud brokerage) acquires RE/MAX Holdings (traditional franchise giant with ~145k agents, 120+ countries). Combined: Real REMAX Group, ~180k agents, ~\$2.3B pro-forma 2025 revenue, targeted \$30M annual cost synergies.

Real shareholders keep ~59% control; RE/MAX shareholders get ~41% (cash/stock election with \$60–80M cash cap).

Financed partly with \$550M new debt — Real was previously debt-free and highlighted that as a strength.

Market reaction (classic "acquirer's curse"): RMAX shares jumped 17–24% (premium accepted), but REAX dropped 8–25%+ on the news. Investors are clearly worried about the added leverage and execution risk in a tough real estate market. [investors.remaxholdings.com](https://investors.remaxholdings.com) +1

Analysts and commentators are already flagging exactly the oracle's cautions: High execution/integration risk (tech vs. traditional franchise culture).

Leverage shift changes Real's risk profile dramatically.

Synergies and deleveraging must be executed flawlessly for this to be accretive.

### 3. My Overall Take on the Merger

The I Ching is right — it does not look great on the surface, but it is not doomed. It's a high-stakes "Following" bet in a consolidating, margin-compressed real estate brokerage world. The oracle gives it a conditional green light provided the leadership practices: Sincere, clear-eyed adaptation (don't cling to the "little boy" — i.e., don't let weaker elements dominate or flatter each other).

Wise Limitation — set firm financial, cultural, and operational boundaries early. Don't let the debt or integration become "galling."

Biggest risks I see (matching the lines): Cultural/integration failure (tech speed vs. franchise tradition).

Leverage overhang hurting flexibility in a downturn.

Losing the "strong man" — i.e., diluting what made Real special while failing to fully unlock RE/MAX's global network.

Upside potential (if they get the sincerity + limitation right): Massive scale + tech + brand combination could create a true global leader with diversified revenue and better agent tools. The \$30M synergies and margin expansion targets are plausible if executed with discipline.

Bottom line from Universal Intelligence: This is not a "supreme success guaranteed" reading like some of the stronger BBY ones. It's a "success possible, but only through careful following + wise self-limitation." The early market skepticism (especially the drop in REAX) is the oracle's way of saying "dense clouds, no rain yet — refine and limit before pushing forward."

## **GEMICHING'S ANALYSIS**

The transition from the "Joy in Movement" (17) to the "Setting of Measures" (60) is where the warning of **servility** resides. By focusing on the two specific moving lines in the first Time/Space, we see the danger of the "New People" joining the Mandate.

### **The Path of Confucius: Review of the Two Moving Lines**

The transition is dictated by the **Second** and **Fourth** lines of Hexagram 17. These lines describe the *quality* of the followers joining the REAX/RMAX merger.

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#### **1. The Warning of Servility: Line 2 (The Second Place)**

- **The Text:** *"One cleaves to the little boy and lets go of the man of age and experience."*
- **Confucius's Analysis:** This is the root of your concern regarding servility. By "cleaving to the little boy" (the shiny new AI platform, the speculative hype), the "New People" are choosing the superficial over the substantial.
- **The Problem:** They are letting go of the "man of age" (the hard-earned wisdom and professional standards of the industry). When people join a mandate solely because they are dazzled by "newness," they become servile followers who lack their own internal compass. They aren't joining to build; they are joining to be carried.

#### **2. The Danger of Success: Line 4 (The Fourth Place)**

- **The Text:** *"Following creates success. Perseverance brings misfortune. To go one's way with sincerity brings clarity."*
- **Confucius's Analysis:** Here, the "Following" actually achieves results (the merger is successful), but this success is the trap. If the leader (REAX) becomes too persistent in demanding that everyone "follow" exactly (perseverance in the wrong direction), it leads to misfortune.
- **The Problem:** Success often breeds a "delirium of victory" where the followers become servile to the *outcome* rather than the *truth*. The "New People" may become yes-men to the platform, losing the ability to speak the "unpleasant truths" that a healthy organization needs.

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### **The Destination: Hexagram 60 (Limitation)**

As the "Army" of 180,000 agents moves into the Second Time/Space, they hit the wall of **Limitation**.

- **The Image:** *Water over Lake*. A lake can only contain a certain amount of water.
- **The Warning:** If the "New People" are servile and weak-willed (as predicted by Line 2), they will not be able to handle the **"Galling Limitations"** that a merger requires.
- **The Risk of Rebellion:** Confucius warns in Hexagram 60: *"If a man should go too far in imposing limitations on others, they would rebel."* Because these followers joined out of a servile desire for the "little boy," they lack the internal discipline to accept the "number and measure" required for the new combined entity.

**Confucius's Final Conclusion for the Library**

*"A leader who collects followers through the allure of a 'little boy' will find himself commanding a servile army that collapses at the first sign of 'Limitation.' True Following requires a man of age and experience to stand behind the movement; otherwise, the expansion is merely a breeding ground for future decay."*

Strategic Summary: The Danger of the "New People"

Ticker	Line Warning	The Outcome if Unchecked	Mandate Protocol
REAX	17, Line 2	The "New People" follow the AI hype but lose the human touch (The Man of Age).	<b>Maintain "Modesty" (Hexagram 15)</b> . Ensure the veteran agents aren't treated like children.
RMAX	18, Line 2	The "New People" bring the decay of their old habits into the new house.	<b>Gentle Correction</b> . Do not force the transition too quickly or you will trigger a relapse.

**Hexagram 17 (Following) – Line 2: "The Childish Choice"**

- **The Text:** *"Six in the second place means: One cleaves to the little boy and lets go of the man of age and experience."*
- **The Warning of Servility:** Confucius notes that "cleaving to the little boy" represents following **superficial charm or unproven hype** rather than deep wisdom. In the context of the REAX/RMAX merger, this warns of agents who are following the "new tech" (the little boy) with a blind, servile

enthusiasm while abandoning the foundational experience (the man of age) that built their careers.

- **The Risk:** By being "servile" to the shiny new platform without maintaining their professional integrity, these "New People" lose their own maturity. They become followers who are easily manipulated by trends, leading to a "loss of character"

## CONSULT

Outcome of merger between The Real Brokerage Inc. REAX and RE MAX Holdings RMAX for \$880 million

6	The Top		H	H	T		3	3	2		8
5	The Fifth Place		H	T	T		3	2	2		7
4	The Fourth Place		H	H	H		3	3	3		9
3	The Third Place		H	H	T		3	3	2		8
2	The Second Place		T	T	T		2	2	2		6
1	The Beginning		H	T	T		3	2	2		7

Click below to view the interpretations and cases:

<https://icic.com/?p=8894>

### HEXAGRAM 17 – Sui - Following

Above TUI THE JOYOUS, LAKE  
Below CHEN THE AROUSING, THUNDER

The trigram Tui, the Joyous, whose attribute is gladness, is above; Chen, the Arousing, which has the attribute of movement, is below.

Joy in movement induces following.

The Joyous is the youngest daughter, while the Arousing is the eldest son.

An older man

- defers to a young girl and
- shows her consideration.

By this he moves her to follow him.

### THE JUDGMENT

FOLLOWING has supreme success.  
Perseverance furthers.  
No blame.

In order to obtain a following one must first know how to adapt oneself.  
If a man would rule he must first learn to serve,  
for only in this way does he secure from those below him the joyous assent  
that is necessary if they are to follow him.

If he has to obtain a following

- by force or cunning,
  - by conspiracy or
  - by creating factions,
- he invariably arouses resistance, which obstructs willing adherence.

But even joyous movement can lead to evil consequences,

hence the added stipulation,

"Perseverance furthers"-that is, consistency in doing right - together with "No blame."

- Just as we should not ask others to follow us unless this condition is fulfilled,
- so it is only under this condition that we can in turn follow others without coming to harm.

The thought of obtaining a following through adaptation to the demands of the time  
is a great and significant idea;  
this is why the appended judgment is so favorable.

## THE IMAGE

Thunder in the middle of the lake: The image of FOLLOWING.  
Thus the superior man at nightfall  
Goes indoors for rest and recuperation.

In the autumn electricity withdraws into the earth again and rests.

Here it is the thunder in the middle of the lake that serves as the image –

- thunder in its winter rest,
- not thunder in motion.

The idea of following in the sense of adaptation to the demands of the time  
grows out of this image.

Thunder in the middle of the lake indicates times of

- darkness and
- rest.

Similarly, a superior man, after being tirelessly active all day,  
allows himself rest and recuperation at night.

No situation can become favorable until one

- is able to adapt to it and
- does not wear himself out with mistaken resistance.

## THE LINES

Six in the second place means:

If one clings to the little boy,  
One loses the strong man.

In friendships and close relationships an individual must make a careful choice.

- He surrounds himself either with good or with bad company;
- he cannot have both at once.

If

- he throws himself away on unworthy friends
- he loses connection with people of intellectual power who could further him in the good.

Nine in the fourth place means:

Following creates success.

Perseverance brings misfortune.

To go one's way with sincerity brings clarity.

How could there be blame in this?

It often happens,

when

a man exerts a certain amount of influence, that

he obtains a following by condescension toward inferiors.

But the people who attach themselves to him are not honest in their intentions.

They

- seek personal advantage and
- try to make themselves indispensable through flattery and subservience.

If one

- becomes accustomed to such satellites and
- cannot do without them,

it brings misfortune.

Only when

a man is

- completely free from his ego, and
- intent, by conviction, upon what is right and essential,

does he

- acquire the clarity that enables him to see through such people, and
- become free of blame.

## MOVING HEXAGRAM

Click below to view the interpretations and cases:

<https://icic.com/?p=9023>

## HEXAGRAM 60 – Chieh - Limitation

Above K'AN THE ABYSMAL, WATER  
Below TUI THE JOYOUS, LAKE

- A lake occupies a limited space.  
When more water comes into it,
- it overflows.

Therefore

limits must be set for the water.

The image shows

- water below and
- water above,
- with the firmament between them as a limit.

The Chinese word for limitation really denotes the joints that divide a bamboo stalk.

- In relation to ordinary life
  - it means the thrift that sets fixed limits upon expenditures.
- In relation to the moral sphere
  - it means the fixed limits that the superior man sets upon his actions - the limits of loyalty and disinterestedness.

## THE JUDGMENT

LIMITATION.

Success.

Galling limitation must not be persevered in.

- Limitations are troublesome,  
but
- they are effective.

If

- we live economically in normal times,
- we are prepared for times of want.

To be sparing saves us from humiliation.

Limitations are also indispensable in the regulation of world conditions.

In nature there are fixed limits for

- summer and winter,
- day and night, and

these limits give the year its meaning.

In the same way,

economy,

by setting fixed limits upon expenditures,

acts to

- preserve property and
- prevent injury to the people.

But in limitation

we must observe due measure.

- If a man should seek to impose galling limitations upon his own nature,
  - it would be injurious.

And

- if he should go too far in imposing limitations on others,
  - they would rebel.

Therefore

it is necessary to set limits even upon limitations

## THE IMAGE

Water over lake: the image of LIMITATION.

Thus

the superior man

- Creates number and measure, And
- examines the nature of virtue and correct conduct.

- A lake is something limited.
- Water is inexhaustible.

A lake

- can contain only a definite amount of the infinite quantity of water;
- this is its peculiarity.

In human life too

the individual achieves significance through

- discrimination and
- the setting of limits.

Therefore

what concerns us here is

the problem of clearly defining these discriminations,  
which are, so to speak,

- the backbone of morality.

- Unlimited possibilities are not suited to man;
- if
- they existed,
- his life would only dissolve in the boundless.

To become strong,

a man's life needs the limitations

- ordained by duty and
- voluntarily accepted.

The individual attains significance as a free spirit only

- by surrounding himself with these limitations and

- by determining for himself what his duty is.