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Paul Zacour

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University of Texas at El Paso

Institute of Oral History

Interviewee: Paul Zacour

Interviewer: Arlina Palacios

Project: Paso del Norte Entrepreneur's Oral History Project

Location: El Paso, Texas

Date of Interview: 8 July 2010

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Biographical Synopsis of Interviewee: Paul Zacour was born in Damascus, Syria in 1960. He was adopted by two Arab-American parents. His father, George Zacour was a pharmacist in El Paso and his wife was an educator. Paul attended Mesita Elementary, and he received his Bachelor degree in Business with a major in real estate and marketing from The University of Texas at El Paso. Paul is married and has three daughters. Paul is the owner of Zacour and Associates, a real estate appraisal company.

Summary of Interview: Paul Zacour took real estate classes and began to sell real estate when he was 19 years old. After graduating from The University of Texas at El Paso in 1986, Paul moved to Austin, Texas to be a part of the real estate market boom. In 1992, Paul moved back to El Paso, Texas. He began to work with Fred McKinstry doing appraisals together. The name of the company then became McKinstry-Zacour and Associates. When the opportunity to buy the company arose, Paul took it and Fred McKinstry semi-retired. The company then morphed into Zacour and Associates. Paul's company works in real estate and commercial appraisals. Paul is a member of the Greater El Paso Chamber of Commerce, the Hispanic Chamber of Commerce, the Building and Standards Commission and has been a member of REDCo and Future 15. In addition Paul supports UTEP Athletics as well as the UTEP Business School. He has been involved in government contracts in the city as well as doing work with the Empowerment Zone and Project Vida. Zacour and Associates is licensed in both Texas and New Mexico. Paul's advice to people seeking entrepreneurship is to just do it, don't be afraid, start as young as you can and learn from the process of just getting involved.

Length of interview:

Length of Transcript: 26 pages

Name of Interviewee: Paul G. Zacour
Date of Interview: 8 July 2010
Name of Interviewer: Arlina Palacios

This is an interview with Paul Zacour on July 8, 2010 in El Paso, Texas. The interviewer is Arlina Palacios. This interview is part of the Paso del Norte Entrepreneur's Oral History Project.

AP: Good afternoon.

PZ: Good afternoon.

AP: I would like to start this interview by asking you some background questions.

PZ: Sure.

AP: When and where were you born?

PZ: I was born in Damascus, Syria in 1960. That's what they tell me. I was adopted by two Americans who were from Arabic families. My grandparents, on both sides, are Syrian. [They] came here in the thirties. My parents were here, grew up here, and went to school at El Paso High. My father, George Zacour was a graduate of the University of Texas at Austin and a pharmacist and worked in Kern Place for twenty-five, thirty years. Well known throughout the city. I mean, people just know him from being a pharmacist that long. Maybe not throughout the city but at least in the neighborhood he was very popular. My mother was a teacher also very popular with her students. She was at Austin for a couple of years, Coronado maybe a year and but mostly homebound. She is a homebound teacher who goes to kids homes if they can't attend school for a variety of reasons and she teaches them there at their house and she has been doing that forever. Probably, I don't know, thirty years, fifty years? Yeah, fifty years.

AP: So she hasn't retired.

PZ: She has. She retired and went back to work for the school district. She is still working. Every day, she is on her feet.

AP: So she likes being involved in the community.

PZ: She does like being involved. In fact, there is a picture of her in the [*El Paso Times*], there, baking at the church dinner at the May Festival that they have at the St. George Orthodox Church and she has been involved in that for years. They wrote a great article about her in the *Times* and how she helped and how it's my grandmother's recipes that she uses. So along with teaching, and cooking, she stays very active.

AP: That's great. Do you have any brothers or sisters?

PZ: I don't. My brother and sister both passed away.

AP: I'm sorry to hear that. At home did you—what language did you speak? Was it primarily English?

PZ: Yes, it was. I think my parents wanted us to learn English. They didn't want us speaking Arabic, you know, although that's all we knew at first, we were young and caught on to English. My parents spoke fluent Arabic to each other and to my grandparents. But, English was the language, because back then you didn't want to stand out you wanted to blend in, I think.

AP: Do you still speak Arabic?

PZ: A little bit, sure.

AP: That's nice. So tell me a little bit about your background and your education.

PZ: Well, I went to Mesita School, that was a great school for a start, and I grew up in Kern, Mission Hills area. I went to El Paso High, graduated in '78 from El Paso High. I played football, golf, several sports there. Attended UTEP and graduated with a Bachelor's in Business majoring in real estate and marketing and that was '86. I dropped out a little bit and got into real estate sales while I was still in school. So, that was a good experience for me because when I graduated I moved to Austin, looked for work in real estate, there. Got a job with a—not an appraisal firm but a marketing firm. They did market studies not appraisals. That's where I started out of college. What got me that job was the experience I had of working. I had my real estate license when I was nineteen, before I graduated, so I had already been selling real estate, a little bit of residential, and I had already gotten in to commercial, and so while I was going to school I was still working in the real estate field going back and forth. So, when I went to apply for a job and had real estate experience, I think that's what got me not just the degree but the experience sells (helps??).

AP: So, at age nineteen, you were already selling real estate.

PZ: At nineteen, yes. I took the night class and a friend of mine told me nine out of ten fortunes are made in the real estate industry and he talked me into taking it and he never got into it. He didn't pass the test. We took the test together and I passed it and I got my license when I was nineteen after attending the—you know, back then it was a very short period of school time. And then started working with the real estate companies selling houses, and moved on to doing commercial leases and, at the same time, I went back to school just because I felt like I needed that degree. I quit for a while and had gone back but I was doing both. Working; worked my way through school, I guess.

AP: And so, this was in Austin?

PZ: Actually, it was here. I graduated from UTEP and then moved to Austin because Austin, at that time, was booming. Some friends of mine had been talking about it and we thought let's go to where the opportunities are. It worked out well. It was a great career for me. It was the only time I actually worked for other people rather than, I guess, I had been in real estate with brokers and things but I also had been pretty independent. So when I moved to Austin I worked with a few firms there right out of college, then came back here in '92 and started my own company.

AP: What motivated you to start your own company?

PZ: Working for other people motivated me to work for myself (laughter). Really you know, I had seen the way it was to be on a salary. My parents were both salaried employees. Good salaries, teachers are paid well. Not that great, but a good living. Pharmacists, my dad was a pharmacist so he had a good salary and we were the first in the family to buy a house and things. I noticed that my cousins and my uncles, who were successful in running their own businesses, had eventually outgrown us and moved on to bigger houses and bigger things because they had become successful on their own. It starts as a struggle for the first few years, I could see, but it pays off in the end, I think, to be your own boss.

AP: What was your business plan? Did you just decide, hey I'm going to start this business and that's it, or did you have a mentor?

PZ: Real estate was what I started in when I was nineteen. And then, I had learned from school about appraising. Took an appraisal class, took marketing classes and all the real estate classes because that was my major and I just felt when I got out of school that being an appraiser was what I wanted to do. Because it would show me the ins and outs of being a developer, or a real estate owner, and so that's how I got into appraising, was hopes of becoming an investor. But, I have been so busy doing appraisals that I did very little investing so that was my

impetus. You know I loved real estate. I have always liked it and started very young with it. Appraising was something I felt I could do, and was good at, and when I moved back here from Austin I actually was working—I got a job with a company that had a branch office here, in Austin—in El Paso, it was headquartered in Austin but had an office here and I worked very independent of them because I was the only one here and I just felt like I could do it on my own because I was pretty much doing it on my own. I went to work with an older gentleman, Fred McKinstry he had been in business for a long, long time, in a brokerage business. We started doing appraisals together and it was McKinstry-Zacour and Associates, to start with. Then he sold me the company basically when he thought about retiring for just basically the equipment, desk and chairs that we had then, so that's really how I started. I bought the business from him, it was a great opportunity. A friend of mine had been working with me and he had told me, "This is an opportunity when you have someone like this that is so well educated." He was so well known in town and had a great reputation, everybody respected him, and it was just a great person to be affiliated with. Then when I had the opportunity to buy the company—actually it was the secretary that told me, "Why don't you just buy it?" It wasn't my idea, to be honest with you. She said—because he came in, he wanted to retire. The company out of Austin that I had been working for wanted to buy the company and she says, "You should buy it." And I actually talked to his wife first because you know who the boss is most of the time, so just to get her okay and what she thought of it. We had become friends. We had been together a long time, so I talked to her and talked to him, had breakfast the next day and I said, "Why don't you sell it to me." He said, "Okay." I told him, "Come work for me," and that's what he did. He was probably seventy when this took place and he passed away about five years later. But, a great man, Fred McKinstry. So, I did. That's how I got into Zacour and Associates.

AP: So did you have to take out a loan?

PZ: Yeah, you know, after operating out of my own checkbook for a while—no, actually I didn't take out a loan. My credit probably would not have allowed it, then. I was thirty, maybe twenty-nine, when I was buying the company. He took a note actually on the company and we were splitting profits. I was operating out of my checkbook, my personal checkbook, and within six months probably, I incorporated. I had gotten a big contract with an investor from Mexico City who owned five or six properties here and needed those all appraised which was probably twenty thousand dollars worth of work for me. Back then that was a lot of money, so that was my starting capital, actually. I did not take a loan. I started with a big job and from there I just paid myself as I could, paid the bills and then if there was anything left then you pay yourself.

AP: So what is the present name of your company?

PZ: Zacour and Associates.

AP: Zacour and Associates. Since you pretty much—I don't want to call it luck because it wasn't luck that got you here. But, what was it that, what is it now that you do here.

PZ: You know, what happened then is I saw an opportunity and I took it and that's basically what I have been doing from the very beginning. Opportunities in real estate come around, you take them and with that position, when I saw the company, I did get a little push but I did take it. We started out doing commercial appraisals, that is what we did then with Mr. McKinstry, and then I saw an opportunity in residential appraisals and I hired away. A residential company was shutting down and I hired their secretary and two of their appraisers and we started residential. Although I had not done residential myself I got in to the business knowing that getting the right people there was an opportunity there and we grew from a residential standpoint quicker than we did for commercial. At one point, timing was a lot of it too. I mean, it was starting to boom in '92, this

was probably '96, you know the market was getting really good. We were doing a lot of residential and it was probably 80 percent of my business. Commercial was about 20 percent of my business and then I saw an opportunity. Some property tax, here in Texas, where you had to fight your values, you're being taxed based on the value of your property and people were having trouble paying their—well, they didn't like having to pay their taxes on these high values so they asked me to help them. A couple of people asked me to help and I saw an opportunity so now we do property tax and that's a big portion of our business, too. We are property tax consultants. So, starting out in brokerage, I branched out into commercial appraisals and then we went in to residential appraisals and then property tax and it's good to be diversified. I mean, right now we hardly do any residential, commercial is very strong and property tax is leveling off after a very strong couple of years.

AP: Is there a big difference between commercial and residential appraisals?

PZ: There is a big difference. You wouldn't think so but there is. I mean, the residentials are done on a form, it's very cut and dry you just fill in the blanks, you have to do just a little bit of analysis and the sources of data are easy. Commercial is a lot more—well, there is a lot more detail to it. It's harder to give (get??) the information. The properties are all different, there are hardly two of the same, and a lot of it is writing, not so much as a form. So, the difficult part of doing commercial, in training people is a lot of it is writing because a lot of people don't have writing skills and I don't teach writing skills very well because mine (aren't??) fair to begin with, but you need that. You need to be able to write, you need to be able to convince people of your value or be able to present it in a way that is convincing to an underwriter. Residential, again, is a form and we tried to do the commercial a little more form-like through the years and, I guess, we have. I started handwriting them and there are about sixty, ninety pages for a commercial report and so we used to handwrite those. That's how long I have been in the business and that wasn't that long ago. Then we'd hand them to the

secretary, she would type them out, but now of course, we are PDFing everything, the reports, we e-mail our reports. We used to use five different softwares to finish a report. You have a mapping, you have excel, you have word, you have Compdata, which comes from another software, and combine all those, where as the residential you can buy the software. It's got the photos and everything in there. It's the other software, where you have to do the photo software. We gone from sticking photos—getting the pictures printed out and double side tape on to the pages to now there is digital photography. We were probably one of the first to use that, too. So staying on the edge is also a good thing, too. It's a little easier with residential because that's already formed and there is a lot of software for it.

AP: So you mentioned changing with the times. You started off with the residential—

PZ: With the commercial and then went into residential.

AP: And now you are saying that it's tapering off and it's headed in the other direction?

PZ: Right, right. Commercial's—you know, residential is just hard to qualify for right now. The market is real soft and things change. The government is constantly getting involved in business and they tend to mess it up every few years. They have done it again, as far as I am concerned. The market is cyclical, anyway. You are going to have good and bad in every market and commercial is different from residential. There will be good years in commercial when it might be a bad year in residential. Different forces, you know commercial comes from job creation and population growth. Housing does, too to a certain extent and El Paso is not like—you know, in Austin you see big cycles like its boom and then its bust and then its boom and bust. I went through a couple of cycles there where values of property—people were buying real estate at thirty thousand an acre and the next year it was worth five. The values changed dramatically, there. We see a little bit here in El Paso but not that dramatic. It's been a little easier to do

business this way because you can stay steady but you know, I have to be able to change and grow and shrink and grow in different departments and shift over and that's why it was nice to be diversified. If I was just doing residential, and the market got slow, all I could do is get slow but, you know, with being diversified I have kicked up my commercial activity and we have been lucky to be able to pull in a lot of commercials. Now, I have more commercial agents than I have appraisers—then I have residential appraisers and it use to be the other way around. I used to have twice as many residential as commercial. So, the market will change. I mean, the only constant thing is change and these last two years it's more change. Every month, it changes. You know, in El Paso it had been pretty steady for a while but since 2008, I guess, it's really gotten to where you got to be moving, fast thinking and able to change and do things differently in every aspect, in every business, and I think everyone has gone through that. The banking industry is changing, which changes our industry, which changes another industry and it's hard to do business when things are up and down like that.

AP: So what year do you think was the best year for you financially?

PZ: [Two-thousand seven] 0-seven.

AP: O-seven.

PZ: Yeah, absolutely. We did three hundred residential appraisals in June of '07, we probably had six residential appraisers. We were doing some commercial and some property tax then. But that was—the market, you can see I have been fighting taxes this last week, and we have been showing them trend lines, telling them 2010 is not 2009 and all the trend lines are going down. We've had the peak and we can show it in retail sales, you can show it in asking prices. And '07 was the peak and I think we are down back to '06 levels, at this point, as far as real estate—commercial and residential.

AP: And you mentioned people coming to you and discussing property tax evaluation? What was that about?

PZ: Every year that they started—well, they used to do it every three years, which was interesting because I'd have one good year in property tax. I had a hand full of clients back then when they were doing them every three years. They re-appraise everything and you would go in there and fight them all. Then the next year they wouldn't re-appraise it so you only fight a few more and then the third year you've hardly had any. Then the re-appraisal year would come and you'd have a big year and then it would go down and down so, I mean, that's that business and that's the way it is right now. This is probably the slowest because they didn't raise any values on the retail end so we are not going to have the year we had the last year or the year before when they raised all the values and we had to go in and fight all the properties where this year we are probably only going to do a third of it.

AP: Do you do that for groups or individuals that come and say, "Hey—" Is it C.A.D.?

PZ: Right, C.A.D.

AP: They are really—

PZ: We do it for both. We don't want to be too big for the house—you know, a lot of people quit doing houses because the market had gotten so good in houses that you couldn't fight them down below what the market had and there was a limit on what they could raise it. It's a 10 percent limit that they put on houses and the market was growing a little faster than that during '06, '07, and so there was a lag. There hasn't been much you could do with houses for the last two or three years. This year they lowered all the values and we are going in and trying to lower them even more. We will do individual houses and we will do huge corporations. I

have a client right now with about two hundred properties here in town and we represent them on all of those. Mostly retail shopping centers. We have been able, the last couple of years, to get those values down quite a bit. Keep them to where they are not increasing at an unmanageable rate because for a property owner you want your expenses to be relatively level. If the appraisal district has the right to come out and double your taxes that will have quite an effect on your bottom line when your tax bill doubles from year to year. Again, you are just trying to keep things steady and that's what we try to do for our clients. Try to keep it so they don't have this huge increases or unreasonable but the district doesn't seem to go down as quick as they go up.

AP: So presently, how many employees do you have?

PZ: Not many anymore. Right now probably six. Not counting me (one??). There has been as many as thirteen, fourteen and we probably have six or seven, I think.

AP: Okay. Did you encounter any obstacles when you started the business or was there any extraordinary that you had to go through in order to sustain your business?

PZ: Well credit is always hard. Cash flow is hard even now I feel like I am starting my business all over again. Because of what is happening in the flow of property tax and the flow of residential appraisals so when you have this going on you have to be able to watch your cash flow that way and you have to be able to borrow money. Property tax season, that occurs right now, we won't be starting the invoice for a few years, so it is a little lean for us, right now, and I'd like to have credit. Where credit's at good point, right now, I could go to a bank but they're really tight, right now, too. But we do have lines of credit that we are using to keep us going. That is the hardest thing, to keep a steady cash flow, to be able to plan for next year or plan for the unexpected is the hardest thing. We've watched our cash flow, we've always done our books, we are able to go to a bank

and say, Look this is what we are doing, this is how we did the last couple of years. We've kept our credit scores high as a business and personally and so we are able to get credit when we need it and we're not overextended. I don't really like to borrow, I like to pay credit cards off, I like to keep out of debt so that one time—because I know times will get slow. Everything will change and everything will go in a different direction so you have to be able to get through those hard times. That's the hardest thing, not to give it up during those hard times, and get a job or—. We've been lucky we've been able to keep up. We were voted the fortune fastest growing fifteen [Future 15] with the Hispanic Chamber, a couple of years ago, because we had been growing at a rate of 25 percent a year, for five years in a row, I think. So that was through '07, '08, the times were really good and, of course, nobody expected what happened in '08 but luckily we were diversified and we were able to weather the storm and just start shifting our emphasis in to other places and look for revenue in other ways. Like right now, what we are doing is looking for government contracts because they seem to be giving up (giving out??) everything and making it hard on the small businessman. That is the hardest thing. I mean—the government, the taxes, the insurance—my health insurance is outrageous. We pay for our employees, which are a lot. We do a lot that a small company doesn't do here. We have insurance benefits, we have a retirement plan, free checking for our employees and things like that. So, we have tried to provide what a big corporation can provide. We try to surround ourselves with good people and keep good people. It does not always work out that way, a lot of them move on. But we have been here for eighteen, we started in '92 it will be twenty years, so eighteen years we have been in business and growing most of that time and holding on, right now, for better times, I guess. It's good, we just have to be able to look for new ways to make money and I think we are doing well with that. We just got a huge contract with Texas Tech Medical School. We have done several properties in that area for them. We do work for the electric company, on condemnation, things that don't involve the market or what's going on out there because when banks stop loaning on certain things you have to look to the government sector—you know, the

highway department and doing condemnation. We are bidding on arroyo—they're building arroyos in Mexico that we will be bidding on. And lucky enough, when Texas Tech called us, we had just signed up for statewide service company and we applied and got accepted and at that time Texas Tech couldn't have offered us anything over ten thousand but because we had just signed up on that they were able to do it and not have to split it up with other contractors they could give us the whole contract. So, that worked out well. And that's part of it, you have to be thinking ahead, be ahead of people so when opportunity arises you want to be able to take advantage of it.

AP: And so are you a member of any of the chambers? You mentioned the Future 15..

PZ: The Hispanic Chamber of Commerce, yes. We have been a member with them for a long time. They have been great. I think they are really good to small businesses here in town. Year after year they have helped a lot of small business. And the Greater Chamber is also good. We do a lot of work with them. We've even done housing projects when they are involved with some affordable housing things we did some appraisals for them, but both of them—REDCo, we were a member of REDCo for a while. You know, you want to be involved in the city. I did leadership programs through the city. I have done—what else have I done through the city? But you know, we try to give back. I mean, the Chamber is good. We like working with the Chamber. I have been on the board of Hospice and several boards, the mortgage bankers, the mortgage brokers—just getting involved, giving back. I am very involved with the UTEP athletics, the Texas Gas Center, they have a study hall, or something. Do you all ever used that?

AP: I, personally, haven't been there (laughter).

PZ: You haven't been there, but you know which one? You know, we sponsored a room in there. It has my sister's name on it. So, we try to give back to the

University and I think they are doing a great job at the school so we are always happy to help them.

AP: Well tell me about that. Tell me about your involvement with UTEP athletics.

PZ: Well, only in the fact that I support the teams. We go to the games, we go to the golf tournaments and they have a golf tournament to raise money for the golf team. I've done that for—I got a couple of trophies for that, and, so helping out in that way. Attending basketball, what do they call it, just to generate money? We just went to a great dinner they had for the athletic department. I think it was the Lions Club had a dinner and they had all the athletic athletes there. UTEP just had a tremendous year. Track—they had Blessing [Okagbare], he was just a great track athlete. Football did well, basketball was great and, of course, with the education, the School of Business is also doing well and we try to support them as well. I did have a couple of plaques (with??) donations. But all in all I love the sports, but we try to support the business and the other aspects of it as well.

AP: So they have a room that had been named for your sister.

PZ: They do. My sister's name is on one of the study rooms. It's a place where students go and they can sit and study, at the Texas Gas Center, I think it's called. That was a few years back but that was really nice. It was kind of in memory of her so I wanted to do something.

AP: That's awesome. Was she an alumna at UTEP?

PZ: She had attended UTEP and she was a teacher at Polk when she passed away.

AP: So she's got a room at UTEP. That's neat. The other thing that I was going to ask you, as far as mentorship, you said that you had bought part of the business. Were there any other people in your life that motivated you, besides seeing your

family members get ahead, in terms of owning their own businesses? What else may have motivated you to—or who else may have motivated you to do what you have done, or is it just a specific drive that you have? Is there something within you that—

PZ: Yeah, I think it's more within me and just always gravitating to something where I could be rewarded for extra, rather than just get the same as everybody else. I started out at fifteen out at Santa Teresa selling—well, driving a little beer cart around for tips and so working for that. You know, when I saw that you could make a little extra by putting a little extra effort in to something, I always wanted that ability. I wanted to be able to decide how much I was going to make, you know be rewarded for how hard I was working. That is the way I have always felt about having my own business. Because the first few years you struggle and you think, I could probably get a job and make more money but if you have enough belief in yourself, I guess, in what you are doing, it pays off in the end. So, the first few years were very hard. You know, raising a family and when they are young and then as you get older we did reap the benefits of working that hard it comes to you eventually, you just stick to it. I think that is what I learned from my parents. You go to work every day, you do the best you can and you will be rewarded in the end.

AP: And going back to getting started and your family. Has it been difficult because you work a lot? Do you put in a lot of hours here? Do you have a lot of family support? Did you have a large family, I suppose?

PZ: I do have a large family, they have been great, and they help me a lot. Building relationships with my clients and being known throughout the town. They know somebody, I know somebody. It was really nice when I started the business. There wouldn't be a day that went by without somebody saying, "Oh I know your dad, he's wonderful," or "he is a pharmacist and I used to talk to him. He use to help me all the time." That is a good feeling when people respect your father

enough to say, You know, I loved your dad. So, that was always good to hear. Of course, our family—back to the mentorship without jumping back and forth but when I got in the business with Fred McKinstry he had been a broker here for a long time and had an impeccable reputation which is really hard because the broker business is a dog eat dog tough business to be in and that's one of the reasons I got out which we haven't talked about is that I really like the steadiness of the appraisal business rather than the dog eat dog [phone ringing]. I really did have the time (drive??) to be that way. Fred had made it and he had kept his ethics and kept his reputation intact for many, many years and I just respected that and for him to align with me was great and that helped me a lot.

AP: Well, tell me about the dog eat dog business of brokerage.

PZ: Oh, brokerage—it's really tough. I mean, people are after you and after your clients and after, you know, your commissions and so it is very difficult. When I first got in, and did residential, I didn't like running around and showing people houses. I am a very logical thinker and if you like this house and it fits your budget you know here it is and people always have different ideas and feelings about things. I am more logical than feelings so I got out of residential and got into commercial. In commercial you are dealing with a lot of money, you are dealing with peoples livelihoods and people are—they either get the commission or they don't get the commission and people will go after you and go after your clients. I have a partner that I work with that is a doctor and we helped him buy a piece of real estate over here—built a building over here on Westwind for him and then he wants to do an eastside office and so I will do an eastside office—I have been helping him find a space on the eastside. I'll leave town and he will call me up and say he's looking at a space with some other broker who has got him looking at something else, or he is sending me stuff some other broker sent him and I just tell him, "Tell those guys to call me. Do not be going with those guys." You know, he has trouble understanding how it works. It is something I don't really like to deal with. I am trying to help my mother-in-law

find a house also and I am having to deal with a little bit of that. But, it's tough and I admire those brokers that can go out there and deal with that. But I was still in college when I was doing that and I took a management course, and it had a test, a personality test and it basically told me I would not succeed in it because I could not—I was looking out for their interest and not my own. So, to be successful in something like that you should be looking out for your own interest, something to that effect and I felt like there really has to be something wrong with that. But, that's business and ethics is a tough thing I deal with every day here too as an appraiser. I have values that people—you know, nobody can agree on. The buyer sees it one way, the seller sees it another way, the bank sees it the third way, and the tax office sees it another way. And it is hard to get all those people to come up with things. But I have always felt like I could build a case with data and so I try to provide as much data and as much information that I don't have to say, "I think it's worth this." I say, "Look at that and you can read that and you will come to the same conclusion I have come to." That is the way I have approached the way we do things, and if people don't agree with the value, I am always telling them to bring me data. If you have something that will change, you know, bring me more data. I think that is what has happened to the appraisal industry a lot is the pressure from the banks pushing up values and things like that. It is just something you have to deal with and it's something they don't really teach you. I remember taking an ethics class in college but I am sure there are some, there is a lot of education realtors that (have??) ethics courses, appraisers of ethics courses and I got a brokers appraisal license in Texas, New Mexico, property tax license and so I take all these courses to keep those licenses (up??). A lot of them are about ethics and it is good to be up on the laws and know what you can say, what you can't put in a report and—where were we on that?

AP: We were talking about the dog eat dog world—

PZ: Right. So when you see someone who has been respected—and that’s really been my goal is to have a reputation. Some of the best things that I have heard at the appraisal district were, you know, “Every agent is a dog and [phone rings] the dark side,” and one of the appraisers from the district actually said, “Mr. Zacours’ word is gold,” (while we were in testimony??) which I thought was great. Because I had said something that I did not have any back up for it and he said, “Well we believe in Mr. Zacour,” and I thought that was really nice. I talked to him earlier, and he said that he had admired me about starting my own business, and you know he knew that I had done it all, started my own business and had my own (agency??) and he thought that was nice. I thought that was a great compliment from him and that they trust me and I think I built the reputation there. If you can be in business for so many years and people still trust you that is a good thing.

AP: That’s definitely a good thing. In terms of the difficulty in getting government contracts, has it been very difficult or is it just more competition out there for those contracts?

PZ: You know, luckily up until the last year, maybe, I have been as busy as I can be. I mean, I’ve always had more business than I could handle, for the most part, one way or the other. Government contracts have always been a part of that. I have been able to get them mostly because of experience. I started out doing highway work, done a lot of non-profits, just being involved in things like that. I know people in those businesses—La Mujer Obrera uses us a lot, Project Vida uses us a lot and we do tax credit projects, which is subsidized housing. We are the only ones in West Texas that do that, the market studies with those. So, we have been up with all that and have been active in that. We just put out a big RFP for a non-profit that has some government funding that’s going to go buy some foreclosed housing and they are looking for a broker with experience and people to help them buy the houses I guess from HUD or whoever is foreclosing on them and get them sold as affordable housing.

AP: And where would you come in. You go in and you appraise the units, or you—?

PZ: Well, at this point it was very vague RFP but yes that's the way we see it. We are able to do that because I have had experience and that's what we are able to draw on when the Empowerment Zone first started we did the land use study for the Empowerment Zone and then they asked us to start acquiring property and looking at property. One was a bakery that maybe they could start training people to do the bakery. They had a daycare center that they trained people to do daycare. We had to appraise that for them. And then we were trying to purchase some properties for them as well on Texas Street in the Empowerment Zone areas. So, for the RFP yes we did offer that. We offered our expertise as a broker to be able to—because we have had some experience with that and that's what they are looking for someone to go in and put a value on it, to be able to buy it, be able to sell it and so we have had experience in both of those. We did a project in Alpine where the city had some laws (lots??) they wanted to put up for affordable housing. We were able to go in there and get bids from builders, get contracts from five homebuyers, and get the houses and things going for that project and that was after we had done a study. Then they came in and said, Oh we need someone to actually do the projects so can you help us with that? It ended up that the builders ended up getting upset with us at the end—we were stealing their buyers, I guess they felt, and they kind of shut us down before we could finish it but it was just something they'd asked us to do and we were glad to do it if we could help. It's just like with the Empowerment Zone. We had done the study—anything we can do to make El Paso better. I am of the theory of if we all do better than we will all do good. You know, that has been our theory here. Our mission is just to create an atmosphere where people are happy to come to work, they want to come to work and where they'll prosper from working here and that's what I have done. Most of my people are on commission but we try to generate as much business as we can for them and let them progress and really make as much money as they want based on their ability to get the work out.

AP: So tell me more about the Empowerment Zone that's here in El Paso.

PZ: Right.

AP: What other projects beside that have you worked on in terms of working with the city through the Empowerment Zone or are you a member of any zoning boards with the city?

PZ: I am on the building and standards commission. The Empowerment Zone was probably one of the last ones we did. We've done some work with Project Vida. Mostly we are doing tax credit projects for private developers at this point. For the housing authority we have done a lot of work with the housing authority as well. It gets too much politics and you have to be careful. We have done stuff for the Catholic Diocese and it's the same thing a lot of politics involved with them too. So with the city and things—but we are here and we are disinterested third party and we're happy to help with things like the Empowerment Zone, we think things can be better in El Paso and with El Paso grows I think we grow as well. I'm sorry the question what is it?

AP: No, go ahead.

PZ: No. Tell me what the question is.

AP: Now, I was just going to go back to you being licensed in both New Mexico and Texas?

PZ: Yes.

AP: So you are able to work in both states.

PZ: Right. We have done market studies in Pojoaque, New Mexico which is north of Santa Fe so we will go for market studies and then more in New Mexico than we do in Texas I think. I have been as far as McAllen to do appraisals for apartments down there. Did some in Dallas, Baytown near Houston, commercial you can travel. I have been to Georgia for Hunt Building Corporation that's a property in Georgia they sent me down there to look at. So, for twenty-five dollars you get a license in Georgia if you have one in Texas they'll give you—and I think it's good for about a month, or something, is the way they do it. So we have reciprocal agreements, I am a broker in Texas but New Mexico does not have reciprocal brokerage so we should probably work on that next. But, I do have a license, because we are so close to New Mexico, we are appraising in the upper valley so you need a New Mexico license and I have had my New Mexico appraisers license probably since they have had them just like the one—my property tax license is 155 so I was one of the first to get a property tax license and same with the brokers and appraisers. When the appraisers started having licensing and things, we were one of the first to get into that, too.

AP: What advice would you give somebody with an entrepreneurial spirit in terms of starting their own business? What advice would you give them in terms of what to do, what not to do, who to listen to, who not to listen to.

PZ: Just do it is basically what you need to do. I told a friend of mine one time that was in real estate and [inaudible] way back when I wanted to start buying real estate because (he??) had bought and invested in real estate it is another way to diversify is to have some investments on the side. So, what I would tell an entrepreneur is, don't be afraid to just do it. The guy told me when I wanted to start investing in real estate he said, "Well, buy a house." You know do it. You buy one and then you buy another and you buy another and it's the experience that teaches you. I mean, doing the process teaches you. Start as young as you can. You know we take on interns here from high school; we have had children of people I knew working here. My kids work here, you know we have had

scholarship programs for those kids to help them get through UTEP and I like bringing in, working with UTEP, having them send me students. In fact, right now we are getting a free intern from a non-profit. My wife was at the class today learning, I guess how we **are suppose to learn how** it works so we look for—

AP: Is that a specific program that comes out of UTEP? How did you get involved with—

PZ: No, that's not a UTEP one, I'm not sure what that is. She just told me about that yesterday and she attended a class this morning. I could not tell you what that program is but we can ask her. That's just something we thought we always need someone for filing, we need—. We've had people, here and we have had some great people. The young girls that come in here—I like a girl if you ask her to do something it gets done, or just an employee that gets things done. We don't like to look at what happened, or whose fault it is, we just want it done and if you have people who are capable of listening to you, what you want, and what you need and then getting it done you can learn that at any age. And the earlier you learn it, to get experience, the better it is. I think those people went on and were successful partly because of what they learned here and it is just experience. They may be in a totally other field or be a teacher or something like that but you learn to deal with people, you learn to deal with businesses, you learn to—a lot about real life when you are out there working it. So start young, start early. Our friends, who use to buy watches from the pawnshops, and take them out to the flea markets and make money that way. I mean, there's opportunities everywhere and you just have to do it. You see something and try it and if it works you fine-tune it and hold on to it if it's good and get rid of it if it's not.

AP: Do you see yourself as a mentor? Obviously, by taking in interns you are because that is taking some of your time but how do you—

PZ: I have probably started more real estate companies in this town than anybody else. Yeah, we do, you know most of real estate appraisers work by themselves or work out of their house and stay that way. Maybe one or two have a secretary with them. I have always wanted to grow the company and that I got from Austin. When I was in Austin I worked for large firms and I know what ten appraisers can do and twenty appraiser shops, some at thirty, and so I have always wanted to be that big shop and I enjoy it. I want to be able to train and we have always felt strongly about training. Getting people licensed and you know, you asked me how many employees I have, and how many I have had, is probably it's a big number. I have had a lot of people come through here, get their license, start their own business and be very successful and that is fine with me. I feel like that is part of the reason we are here is to give people opportunities and a lot of them have stayed. I've had people that have been with us for ten, fifteen years and that is a good thing, too. We try to make it attractive to stay but some people try and some people don't succeed because they don't realize the difficulties of being your own—or being on your own or being an entrepreneur because it's not as easy as I make it look (laughing) because it's years and years of experience that I have had you know that I can draw on at this point and not worry about every turn in the economy because it's nothing we haven't been through before.

AP: So what do you see happening for your business in the future? What plans do you have in terms of expanding, maybe?

PZ: Well, now my plans are in retirement (laughing) and I am thinking more of—I have had enough of this, but not really. I plan to work as long as I am physically able. I am in a business that I can do it for a long time. I have more balance now. When you asked about the family, it was difficult on the family. You know, your kids are young and that's when you want to spend the time with them when they are at the house and you are at work. I used to bring the kids in and set them on the desk when they were babies and spend nights here because we had deadline the next day so many times as we spent at the office you know ten, eleven, twelve

o'clock at night just to get something out the next day and the kids were there. But I have been lucky enough to either have them with me here at the office because it is my shop. We have kids here almost every day. The secretary picks up her daughter at two [o'clock] and brings her. I have one that her kids are, I do not know, they are in here all the time, and it's great. We have a kitchen back here and people come and go and it's a family atmosphere. We have always made it flexible so people can do that. One of our employees was having trouble with her ex and fighting back and forth (for the kids??). She took off for, I would say, two or three months almost. But, she's back and we were able to hold on without her and have it for her when she got back because she had things she had to take care of that involved the family. To us that's always more important, and balance is important, and I have that now, I think. I will be working late tonight, (I'll say that??) but it's a busy time of year for us, property tax but I try not to. I try to spend weekends with the family and try to spend more time with the kids but of course now that they are teenagers they don't want to spend much time with you (laughing). But it's good to get that done early. It's kind of contradictory, you wish you had more time back then when you were young and they were young and now you are older you try to get them here to work or spend time with you and it gets a little more difficult.

AP: So how many children do you have?

PZ: I have three girls.

AP: Three girls.

PZ: Um-hm, sixteen, fourteen and nine.

AP: Do you see any of them taking over?

PZ: [Inaudible]. No, I don't. I have few regrets and that's one of them. You know getting them more involved in the business earlier, letting them know what we do. My youngest one asked me, "What's an appraisal," just the other day. She saw something on TV about a jewelry appraisal or something and she asked what that was. I said, "Well, that's what we do." But it's hard for a nine year old to understand what we do but you never know. They may, they may not, right now just supporting them in soccer and in school and we will worry about—I'm sure they are going to change their minds dozens of times before they decide.

AP: So you are pretty much a family orientated man.

PZ: I hope so, yes.

AP: And you brought that in to your business. I'm assuming, maybe you will tell me that I'm right, that you got that from your parents.

PZ: Absolutely.

AP: Let's see what else.

PZ: Well, it's a cultural thing. I mean, like the Hispanics here in El Paso, the Arabic people are the same way they stay together. I went back to Syria in '96 and you go visit people and they had their house and then you go to the second floor and [they say,] This is where my son will live, and you go to the third floor and [they say,] This is where my other son will live and that's the way they are there. Just like a hacienda if you go to Mexico and you have the main house and the other house and the other house, the kids all live within the same neighborhood and I know families here, the Arabic families that their kids are probably within three blocks of each other and the parents and everybody stays close. You know, and that's a good thing. It's a great thing to be part of a great big family and I wouldn't trade it for anything.

AP: Okay, let's see. Is there anything that you would like to add that I may not have asked you that I should have that you would like to have for your grandchildren to hear maybe later on?

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PZ: No, other than I am real thankful for the opportunities that I have had. And that's it.

AP: That's good. Well, this ends the interview with Paul Zacour. Thank you so much.

PZ: Thank you.

[End of Interview]