



Episode 16: SAAREB: Growing Generational Wealth

Let's be honest -- REALTORS face an ever-changing industry. With emerging tech, growing trends, and a booming market, it's vital to keep up. Join me, Gilbert Gonzalez, CEO for the San Antonio Board of Realtors, as I get real with experts on what REALTORS need to know about this industry. It's time to get real.

With us today is Brian Paris, president of the San Antonio Association of Real Estate Brokers, SAAREB, right, Brian?

BP (00:30):

Yes, San Antonio Association of Real Estate Brokers.

GG (00:33):

Thank you for joining us today. As you know, February is Black History Month and the National Association of Real Estate Brokers, which is y'all's national umbrella organization, is known as the oldest professional organization for black and minority real estate professionals established in 1947. Now, when was the San Antonio chapter formed?

BP (00:54):

So, San Antonio chapter got his first start back in the nineties. But because we didn't have enough members that it kind of had to come back, and that was again, late nineties.

GG (01:07):

So, you guys started in the nineties and you know, that's been awesome work that you all have been growing ever since then.

BP (01:14):

Yes. Right now see, when I joined back in 2017, we had about 27 members and now we're sitting at around 60, 60, 61. And our goal for the end of the year is a hundred.

GG (01:30):

Whatever we can do to help you to get there. We're happy to help too. Hopefully people hear this and learn, you know, about all the great work that you're doing and they can support. Who is welcome to join SAAREB?

BP (01:40):

Anybody who's like-minded. So, we have no requirements to race, but if you are a fan and passionate about homeownership for African-Americans, we'd love to help you as part of our membership

GG (01:53):

And just like our organization, you could be in any component of the real estate field, right? Or do you have to be a real estate agent?

BP (02:00):

No, no. In our organization right now we have title, mortgage. We have home warranty, we have all different aspects of the home buying process, inspectors across the board.

GG (02:13):

Awesome. What would you say is the mission of the organization? What is y'all's goal?

BP (02:19):

So, the mission is to increase homeownership for African-American families in San Antonio specifically. And we do so two ways. The first way is to make sure that our members of the sharpest tool in the tool shed. When you start having that homeownership thought, Hey, I want to buy a house, you're going to reach out to somebody that's going to guide you down that path. And anybody that has been in home ownership, any kind of time, you know, that not everybody's going to have an 800 credit score or have 20 grand in the bank, or have, you know, the perfect scenario to buy a home. So that real estate professional, whoever that is, should know the alternate path, you know, you, don't need an 800, you need a 620, or maybe even a 580. You don't need 20 grand in the bank, but you need to start with at least five. And here are the different resources you can use to get that money from. It can be coming from a family member, can come from your 401k. So, the more knowledgeable our membership is, the easier it is to get those families that have the desire to get into home ownership, to really accomplish that goal.

GG (03:23):

How many people have you seen have that desire, but it's just been a struggle to get there

BP (03:29):

A whole bunch. There is one lady that stands out. I remember when I was working at Citibank as a, as a realtor, as a as a trainer and she wanted to be a homeownership, but her, her score was in the fours. But I kept encouraging her. If I saw her in the hallway, Hey, keep it up. You're going to do it, you're going to make it. You're gonna make it. And two years after that, she bought her first home and we're still in touch today.

GG (03:53):

What is it like when you get people that first home that they thought they weren't going to be able to get? Because they had that credit score 400 and they were told, Nope, not going to do it.

BP (04:01):

You know I feel that I can sell anything, you know, cars, license, or whatever. But to me is so rewarding when I, when you buy your first house, it changes the course of your family. You know? Now you have,

you have security in that home. You know, you can paint your walls, you can decorate for your kids. You can have Christmas there. So, when I think about, you know, how important that first home is, it is an amazing feeling, you know, that this person was renting and now they can leverage equity and buy the next home in their journey. So that it's just very rewarding. I'd rather sell nothing else.

GG (04:39):

Yeah. And I think we take for granted the equity, but that equity is also what helps to build entrepreneurs, right? They're like, Hey, I'm going to take some equity. I'm gonna open up my first restaurant. I'm gonna open up my first store. I'm going to use it to invest in myself and create this business. And I mean, that's why we call it generational wealth. How would you define generational wealth?

BP (05:02):

So the thing that stands out in my mind is, you know, at some point in time, we're going to pass away and as tough as that is I want my kids to have something to build on. You know, I want to be able to say, Hey, you know, the house that I lived in now, has it been paid off is we're about \$400,000. That's an asset that now they can leverage to help their kids do something. Or, you know, let's take out a home equity loan and, you know, get college paid for what's now reduces college debt. You know, maybe they decided to live in that house and the house is paid off. They don't have to pay rent. There's just so many things that we've sewn throughout the generations, that when you think about home ownership and owning land and owning property, it changes lives. So, and it's not just the life of the person who bought the home, but generational down the road, down the road.

GG (05:54):

Do you think that people were so close and then the pandemic hit and it's kind of ruined the trajectory for a lot of people that were working? I'm thinking about that story. You said that you helped that lady. And it took her two years to get there. I'm guessing there's some people who are one year into that journey and, you know, the pandemic ruined something because they lost their job or it's changed. You know, the rent got whatever the reasons are. Have you heard any stories about that right now?

BP (06:26):

I have heard some stories where, you know, they were right on the cusp of, they were at the door closing. They were almost there, but, you know, because they lost their job, it kind of pushed them back. That's one narrative that, that I've seen and heard. The other thing that I've heard because of the pandemic is the fact that, you know, now that I've been in my house, 30, 45 days, I don't really like this. It is time for me to make a move or because now I'm working from home and the house that I have, isn't built for a work from home perspective, it's time me to find it another home. So, it's actually had effect on both sides of the scale, where ones that were close to getting it, aren't able to, at this point in time, it's more of a setback. Not necessarily they can't anymore. It's more of a setback. And then you have those that realize that, man, this is a nice place to visit, but I wouldn't want to live here. Now. It's no time to find a better place

GG (07:20):

As an organization. What are you guys doing to help people during the setback times?

BP (07:26):

You know, during this time, this is a good time for us to talk about the process. I think about three main things. We put a lot of focus on obtaining homes. Okay, let's get you into home ownership, but that's only one third of the conversation. What about maintaining it? So, I buy this home and now I don't know how to fix my AC. I don't know how to take care of plumbing. So, we want to also look at not only obtaining homeownership but maintaining it as well. That's the second part. And then the third part of it is retaining it, keeping it in the family. So that means do we have wills in place? You know, when my mother passes away, you know, she's going to have a will was going to say exactly what happened to that property. And there so many families that don't have that. So now it goes into probate or, you know, just there's fighting amongst the family members who should get it. When, you know, this is document what you want to happen to your house. So, obtain it, maintain it and then retain it into the family.

GG (08:25):

And now I also remember, this is definitely homeownership, but it came back to me. I know I've heard you speak a couple of times at some events and your organization specifically also helps younger adults, right? Like practice, good financial stewardship, and how did, how to get those life skills. That's going to help them once they're in there. I mean, are you guys still working on that project as well?

BP (08:48):

Absolutely. in fact, when we think about, when you're at that point in life, where I'm ready to buy a home, it takes prior to that, a lot of planning, you need to have a good budget and you have money set aside. Do you know how to do that? Do you know how to manage your credit? Do you know how credit works? So, we have workshops that are set up that are off the shelf that we can pull to help people from the budgeting part to credit, to, you know, just making sure you have the entire thing from, from the time that you're 17, you're starting to think about buying a home. How do we get you prepared for it? In fact, we have a series that's happening every two weeks in fact, to help young adults. And I'm actually going to stretch it out to say 10 years old enough to understand some of these financial principles.

BP (09:33):

So, you know, when you start thinking about, when you start getting that knowledge about how money works, if not at 21 is actually probably around 13 or 12, when you started getting your allowance. And now I got my allowance and I'm going to do with it. Let's talk about saving that money. Let's talk about becoming an economy of favors. Right now, in the US we are, we are a spending economy. We are basing our GDP on how much we spend, but we lose track sometimes of how much we need to save, and how do we teach that? And how do we incorporate that into our young kids? So that when I do get a hundred bucks, I'm not spending a hundred bucks, I'm gonna put 35, 40, \$50 aside and I'll spend the other part of it. You know, it's okay to enjoy your life, but also have that money set aside so when stuff happens, you're prepared. So, we're having those classes every two weeks.

GG (10:23):

How does those classes work out? I'm guessing when you, when you start telling somebody who's a teenager, Hey, that a hundred bucks, you're going to have to hold off, save the 50 and spend 50, but, you know, be responsible. How do they receive that?

BP (10:38):

You know, the one thing that I've seen in today's generation is they're on board with it. You know, I, I'm noticing a couple of things popping up, having that side view, that alternate stream of income, they, the

lightly light up with that. They're interested in investing, you know, we heard about what happened to, well, what are those two AMC, and what's the other things that other companies that was going to be shorted and Reddit users, Gain stops. So that opened up a lot of people's conversations about, Hey, investing that's. So let's talk about investing. Let's talk about how, instead of putting money in your savings account, now, why investing in certain stocks and how to figure those out too. So all of these different components of financial wellbeing can lead up to and beyond buying your home. And these are things that we're versed in, and we able to talk about and have open conversations.

GG (11:33):

Can you tell us a little bit about how many African-Americans actually have the opportunity to own houses in comparison to other races?

BP (11:41):

So, when we look at the numbers when we look at overall population non-minorities have homeownership in the 70 percentile, 70% of non-minorities own homes. When you look at, and I think the Asians they're like in the 50 percentile, Hispanics are in the high forties and African Americans are in the low forties or mid-forties, mid-forties. And there's another phenomenon that comes up too, because when we think about those that have the income and maybe even have the credit to buy a home, they're still not buying. Why is that? Part of it is because we're also, it's convenient to rent. So, when we think about, Hey, I just want to get out of my mom's house, I'm going to rent an apartment well, that's great. But if you have the mindset to own, while you're 17, 18, 19, 20, 21, save money for your down payment, and then you can own the place and rent it out. I'm not going to be in San Antonio for a whole long time. Well, that's fine because now if you own this property, you can either a rent it out or B sell it and leverage the equity that you built for your next property. So, we have to start teaching the young kids on that mindset as well, instead of just doing things for convenience's sake.

GG (13:03):

What do you think is the impediment to, I mean, that's one group, do you think, what, what, what would you say is the other impediment to homeownership for African Americans? I mean, we, we've learned a lot over the last couple of years about red lining. We've learned a lot about, you know, systemic racism in lending practices. What has, what has your organization, the local national chapter said, like, you know what this is, what's, what's really keeping it from flourishing, that number, getting higher.

BP (13:33):

Several aspects we were aware of, of a wage gap too, right. You know, there are marked differences in the races when it comes to getting jobs, or, you know, we look at households that are female led where the father not involved, independent picture. And we know that there's a gap in the wages and the income for those families. That's one hurdle that we have to talk about as well. You know, you look at two people that are equally, equally licensed or equally employed, their salaries are different. Why is that? So that's one hurdle that, you know, we need to kind of think about and talk about as a, as a nation overall. The second thing that comes up too, is sometimes it's the fear of the commitment is challenging as well. You know this is a 30-year commitment and, you know, when you buy this, how this will be forever, that's really not a forever type of conversation.

BP (14:31):

Most people find a reason to move within a 7 to 10 year timeframe. So sometimes popping those, those fears will make it easier for us too, to, to start doing more, investing more in investing in ourselves. The other hurdle that comes up too, and I'll just read this a couple of times is the appraisal process where, you know, an appraisal will come and see that as an African American family in that house. And for whatever reason will not appraise it as highly as it were, not an African American family. So how do we change that mindset as well? Well, one thing we're thinking about doing is, Hey, we can do some scholarships for appraisers. You know, let's try to get some, some, some diversity in other fields of real estate that can help balance the playing field. So, we don't have to lose that equity that we've worked so hard to gain. So, there's a lot of different things that when we put everything together, kind of explain that 40 percentile, a lot of it is education, education, education,

GG ([15:34](#)):

You know, and, and when you talk about education, education, it sounds like educating the consumer, whether current consumer or future consumer, right? The, the younger folks who are, who maybe aren't at that stage, how to save and the older folks like, Hey, let me demystify this, that you're not going to have to pay this for 30 years, because it could get some equity. You can make 20 grand and, you know, maybe go use that to buy something else. Right. I mean, that's, how do you, how do you all work to educate people? How can, how can realtors help you to educate the community? How can we help you to educate the community on all the importance of this stuff?

BP ([16:08](#)):

That goes back to what I was thinking before about the, being the sharpest tool in the tool shed, you know, when I had those conversations, those discovery conversations. So, tell me what you're trying to accomplish. Or when you are having those conversations with your family members, you know, I've got to talk to them with my mom, Hey, let's sit down, let's talk about having a will and, you know, making sure that we know what happens when you pass. So having those conversations just as long as our membership knows the different assets and know who to reach out to. I don't know everything, the ins and outs about having a will, but I do know somebody who does, so we make that connection. I don't know everything about the probate process, so, but I noticed that he knows the other side of it, making sure we have those connections, but being that resource for pretty much anything financial that's, important.

GG ([17:00](#)):

When you mentioned earlier about having those conversations and then kind of demystifying it being, SAAREB or NAREB, I guess came out of the idea that there wasn't a lot of African American black real estate agents at one point in time, like the industry wasn't as welcoming to people of color to join the industry. And that's, that's actually where y'all's organization came from. Right.

BP ([17:29](#)):

That's correct. Back in the forties and, you know, continuing even a couple of decades ago you were not able to be, like you said, in real estate. So, what ended up happening was we created our own organization. That's why it's called San Antonio association of real estate brokers because the brokers are responsible for the transact. So, we were able to in essence, take that piece and make it ours in essence. So, we could involve ourselves in Realty and we could buy and sell homes and help our family do this.

GG ([18:02](#)):

Do, can you tell us a little bit more about why they also took on the word of Realtist? I know that's a word. It's, it's the version of realtor, right? For NAREB is Realtist.

BP (18:14):

Right? So again, back when the NAR, they, they copyrighted that, that phrase realtor, so we couldn't be realtors. So, we became Realtists.

GG (18:29):

I like it. A lot of things have changed since then, obviously I know SABOR specifically tries to work diligently with all of our affinity groups that represent minority interest groups to work. What have you seen changed? I know you, you you've been in mortgage before. How have you seen the industry change between the cooperation between all the organizations?

BP (18:54):

You know, I, I am really thankful that you know, SABOR has done as much as they have to bring, not just those organizations that are geared racially, NAHREP, AREAA and SAAREB, but also veterans. Then we have independent brokers, and this is getting us all at a table to talk about some of our challenges and being that player that can connect, connect us, and we can leverage our similar challenges and similar advantages as well. You know, we, we can cross pollinate and help each other become successful. So, there are opportunities that NAHREP has that I can help with. And there are opportunities that I have that VAREP can have. And so being, being at the table with everybody makes it really, really easy for us to share ideas and best practices. So again, I'm really thankful that SABOR has taken the opportunity to bring us all together.

GG (19:49):

How would you encourage other members to join your organization SAREB?

BP (19:56):

If you're passionate about home ownership as a whole, but especially the African American challenge on our websites, SAAREB.com. There's a get involved and join now. If you're not sure what you can do, talk to a SAAREB member, talk to me, I'll, I'll talk to anybody. And we can see what best fits your role. It doesn't necessarily have to be out selling real estate because again, lender, title, appraisers, inspectors, home warranty, all these different aspects of home ownership are needed in our communities across the board. So, if you're in the real estate community and you want to do more, we'd love to help you.

GG (20:38):

One thing they can definitely help you with, which is a national goal, which I'm guessing you guys are also helping to participate. That's to add 2 million new black homeowners in five years, that's a big goal. How's it going?

BP (20:52):

It's going, it's going well. You know, thankfully the interest rates are nice and low, so the, the hurdle about making the payments is a little easier. It's just for now changing the mindset. So, one of the things that I really kind of, I want to do also is be able to, to actually track and see how many people were actually helping with this, with this goal. And then putting it out there on social media, you know, Instagram and Facebook that were helping these families go from renting to owning. I mentioned earlier

that there is a population in, in San Antonio, but out of the nation as a whole, where they are millennials that are credit worthy and income worthy, but they still choose to rent. Why is that? And, you know, trying to show the value of, Hey, you know, you can spend less money on rent and something that you own that you can leverage for your bigger picture, wherever that bigger picture is. So, you know, let's open up the conversation about it, see how it benefits you.

GG ([21:49](#)):

Do you know how far you've gotten so far? I don't know when the, the initiative started what year y'all are in.

BP ([21:57](#)):

I think we are in year number three, but I don't know what the numbers are, how close we are to our goal. So, one thing that has happened from a statewide perspective so there's NAREB, which is a national organization, but there's also, TAREB, the Texas Association. And so, we're looking at it, if we do, I think 500 families then Texas would have accomplished their part of the goal 500 per, per city if I'm not mistaken. So, what does working on all of these different things to see, you know, what are the ways that we can have the biggest bang for the buck?

GG ([22:35](#)):

Excellent. Excellent. Brian, I really want to thank you for helping us to celebrate black history month. I think what's important is that we recognize there was a time when these two organizations SABOR and SAAREB, you know, we're created for completely different reasons, right? One, you know, they, they didn't mix well, but now they do. We've had a couple of, of minority people who actually have, you know, ascended all the way to the board leadership. And we look forward to more. And I look forward to our organizations working together as long as, as well as with all the affinity organizations so that we can continue to, because I think all of us want more home ownership you know, and better access is it's the American dream, which to me is just an amazing thing to be a part of. And I know, I feel that every time I hang out with real estate agents that that's, that's what they love is helping people achieve that real estate dream. Right.

BP ([23:33](#)):

Yep. Imagine if every aspect of Americans were doing well, what that would do for the economy. When I think about that, and that, that kind of motivates me to, if were at that 70 percentile, what would that do to our economy? What would that do to how we feel as Americans? What would that do to, you know, the next generation of Americans coming in? It just, wow. That the playing field is even, and there aren't any hurdles to, you know, or barriers preventing us from doing what we really want to do. That's definitely, that gives me chills thinking about it.

GG ([24:07](#)):

We're going to leave those chills with the listeners now and let them process how we can work towards those goals. So, thank you so much for being with us, Brian, we will check in with you again later and be safe out there.

BP:

Fabulous. Thank you so much for the opportunity.

GG:

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