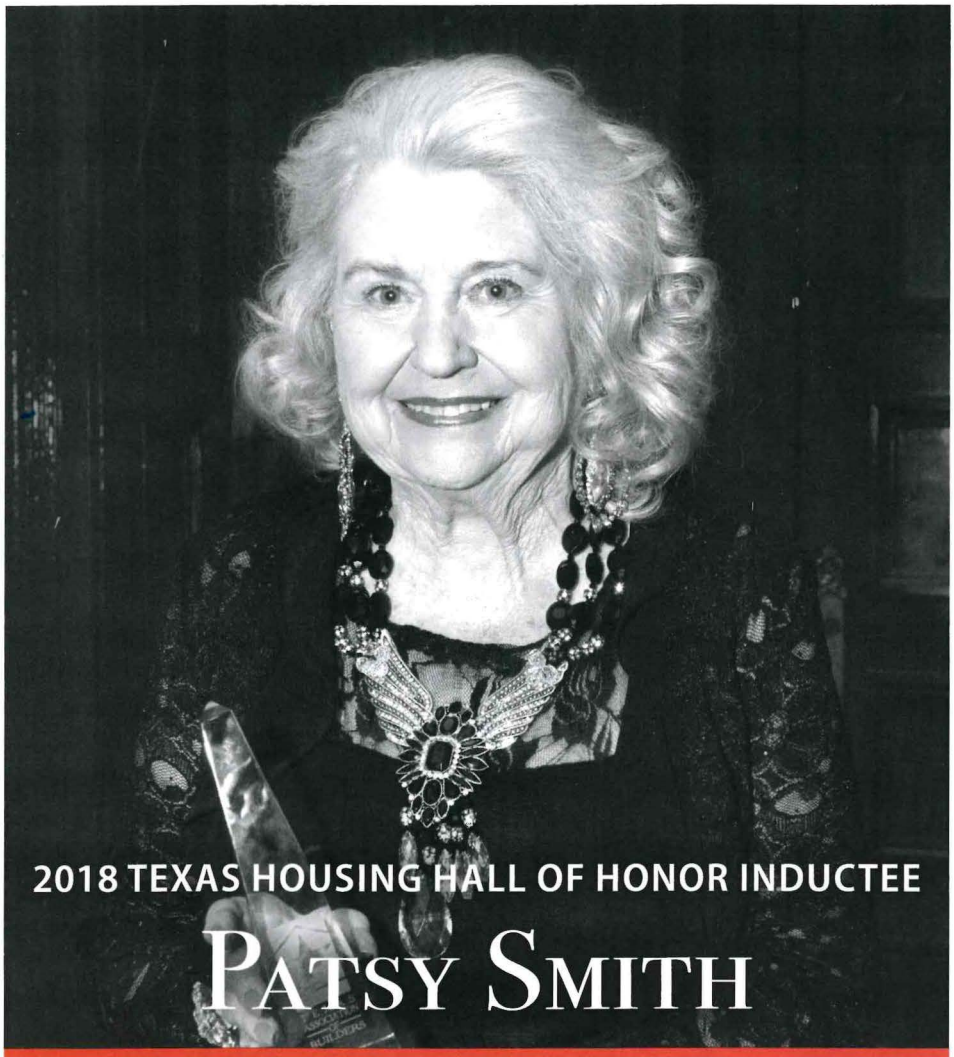


2018 TEXAS HOUSING HALL OF HONOR INDUCTEE

PATSY SMITH

Ellie Hansen

Acquisitions are important, but they aren't everything to Patsy Smith. Patsy and her husband, Herman, started building houses in 1953. During that time her main focus was on interior decoration for the completed homes. "I chose brick and chose all the wallpaper and then as we eventually evolved into commercial building my husband didn't need me at the office every day."

In 1994, after Herman's untimely death, Patsy took over as President and CEO of Herman Smith and Company. Patsy quickly realized that her husband's ability to "walk into a bank in his navy-blue pinstripe suit and come out with a 3-million-dollar loan" was going to make transition as the head of the company trickier than she had anticipated. Suddenly, Patsy was responsible for 23 subdivisions and properties all over the country. Patsy said of the time, "I had bankers coming to visit me saying, 'who is this little blond that was around when Herman was', but now I was in the president's chair and they didn't know what to think of that, but they wanted their money back so it didn't matter who I was." It was a time of great challenge during that transition and Patsy made one goal for herself during that time: to get Herman Smith and Company debt free.

Patsy's sudden transition was definitely an adjustment period. "I was always the lady behind my husband, always, but when he passed away in '94 I took over." Stepping into a leadership position didn't come right away, but Pasty explained, "I could give the impression that I knew what I was doing, so we just went from day to day." Thanks to that fake-it-till-you-make-it mentality, she accomplished her goal in no time. In just two years, Herman Smith and Company was completely debt free.

The game plan for her success was remarkably simple. "I met with my in–house CPA and I said let's just make two columns. I put my debt free assets in column B and then said I want all of my assets to be in column B. That's how I handled the business for two years." A plan and a prayer were all Patsy needed to slowly alter the financial standing of the company.

"My husband was always in the mode of acquisition, which turned out to be a benefit for me in the long run," but Patsy advises, "you cannot stay in that mode of acquisitions all the time. There has to be a time when you gather in and bring in the profits. That's what I've tried to do." Under Patsy's direction the company has profited immensely, but of all the projects she's completed she remains most proud of her first.

At the start of her presidency, Patsy undertook the completion of a Bedford Park subdivision. "It was all new. People weren't sure if they wanted a smaller house on a zero lot. Now that's the big time." Coincidently, many years later she learned that a couple she recreationally dances with lived in one of the houses in that subdivision. "They were so happy there," Patsy said of the couple. "It was the

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first subdivision of that kind in this area and it turned out beautifully."

That subdivision's success was reassuring, but also served as a wake-up call on how much work the job would entail. Like never before, Patsy was met with the day to day responsibilities of being a builder. "It was quite challenging," she said. But in the end, the success of creating a beautiful place for people to start their lives far outweighed the challenges of the job. "It's a pleasure to know that we actually did that," said Patsy of the completed subdivision.

Patsy attributes much of her success to what she learned by being a part of the Texas Association of Builders and the National Association of Home Builders. "It's the equivalent to a masters or a doctorate degree. When I stepped up as a leader of the company, because of my travels and meetings and the associations, I had learned so much about this industry." The network of people she had connected with through association meetings were especially beneficial at the start of her presidency. "We had friends I could call all over the country because of the NAHB."

For Patsy, being a member of the Texas Association of Builders is a necessity for any Texan in the industry. "I don't think a builder can succeed unless they are a member of the Texas Association of Builders." The tools the association has to offer are immeasurably helpful for those who want to learn. "A builder cannot compete today if they do not have the education, the courses and just meeting fellow builders." Patsy's enthusiasm for the association hasn't waned in her time as a member. "I'm still excited after all these years that I belong."

At the start of her career Patsy would sit in unairconditioned open houses and think about what the future of the home would hold. Patsy and Herman climbed up the ladder and, in 1989, they finally decided to build their own dream home. That home remains a monument to their success. It's equipped with three washers, three dryers, and three dish washers. It also includes a movie theatre, dance floor and, Patsy's favorite room in the house, a walk-in closet. "My closet now is larger than our first home was." Herman was only able to reside in that house for five years before he passed away, but it remains important to Patsy as the house they built together. "I still love that home," she said.

Patsy remains eternally grateful for all the opportunities and successes she's had through what can be an unbelievably unpredictable occupation. "I feel so blessed. I don't worry today about being able to pay the electric bill. I don't worry about the finances like we did when we were beginning in the industry."

Of everything the building industry has given to Patsy, she remains most appreciative of what it's been able to do for her two daughters. "They've been successful because of their ability to go to college and not worry about student loans." It's an incredible credit to Patsy that through the fruits of her labor she was able to offer her children those opportunities. "The industry has certainly been good to me and our family," she concedes.

Despite the ever-changing tides, the industry will continue to be good to people as Patsy assures future generations of builders. Through the National Housing Endowment, Patsy has donated over $1 million dollars in endowments and scholarships that have and will educate future generations and leaders of the housing industry in Texas and the nation. Most recently, Patsy established a sustaining endowment with the Texas Builders Foundation. Her contributions will ensure that men and women serving the building industry will receive the education, career development, training and job placement that are essential to the health of home building. "There are still so many opportunities for young people today. They just have to be willing to work, show up and have faith. I really believe that." But she also advises that builders must use caution. "We can't be pessimistic, but we just need to watch out. You don't want to owe a lot of money, regardless of interests rates." While today the industry is in a prosperous place, Patsy warns that the pendulum always swings and builders need to avoid putting themselves in compromising situations.

Patsy has lived a fast-paced life with no plans to slow down in the future. She continues to supervise her properties, manage builder investments and serve on boards. "My schedule is totally booked always, but I like it that way." Most importantly, twenty-four years into her presidency Patsy still enjoys the day to day of the job. "I hope I'll continue with my boots on," she concludes.

For all her incredible accomplishments and her tenacious spirit, the Texas Association of Builders congratulates Patsy Smith on her induction into the Texas Housing Hall of Honor. "I love to see women in business and women who achieve," said Patsy of the accomplishment. "It's nice to be recognized. I really am grateful." ■