

157: Passive Real Estate investments for Physicians with Peter Kim M.D.



Full Episode Transcript

With Your Host

Bonnie Koo, MD

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Welcome to *The Wealthy Mom MD Podcast*, a podcast for women physicians who want to learn how to live a wealthy life. In this podcast you will learn how to make money work for you, how you can have more of it, and learn the tools to empower you to live a life on purpose. Get ready to up-level your money and your life. I'm your host, Dr. Bonnie Koo.

Hey everyone, welcome to another episode. So this is going to be a really, really fun episode for everyone because I have my really good friend, Dr. Peter Kim, many of you may know him as Passive Income MD. He has an amazing platform where he has created communities of mostly physicians to learn from each other, physicians who have a growth mindset mostly around real estate, but also around entrepreneurship.

And so I brought him on to chat about all the things, talk about real estate, and why it's something you should consider. And I learned something, like the way he defined investing, and I think it'll blow your mind too. Just how he described it was in a way I've never heard before. And now it's going to be on my mind for a while and definitely going to share it with all the people, my clients, et cetera.

And one of things we talked about is he has a real estate conference and this year, as you'll hear, he's going to do things a bit differently and also include an entrepreneur and coaching track because they really go hand in hand together.

So it's the weekend of September 21, 2023. I've been telling everyone to come because it is really fun and it's just a great way to be in person, and I think that's something we all crave, and to be with like-minded people. And also you get to meet doctors of different specialties, versus going to a conference for your specialty, which tends to be pretty boring, at least in my opinion. And this is a very different type of experience.

So at the time of the recording and when this podcast comes out, the tickets won't quite be on sale right now. So I really encourage you to get on Peter's mailing list to find out more. And if you're on my email list, I will

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definitely be emailing you. And I will pop on and make sure that you all hear about it on the podcast when that time comes.

All right, here is Peter and I.

Bonnie: Welcome to the show, Peter.

Peter: Hey, I'm happy to be here.

Bonnie: Have you actually been on the podcast before?

Peter: I hope so. I don't know, we talk quite often so who knows when I've been on, where I've been on. But I feel like I have, but to me it's been a while.

Bonnie: All right, so why don't you introduce yourself to people who may not know who you are.

Peter: My name is Peter Kim, an OB anesthesiologist. I'm now here in Orange County, California, married with two kids. I'm married to another physician. I guess my story started, again, I don't want to tell the whole story right now unless you want me to later. But again, I found myself in a situation at work where I felt like I didn't have much control of my schedule, my time. And so I started looking for other ways to create income.

That led me to real estate investing, and led me to some other business opportunities. Next thing you know, I started sharing about it online wherever I could. And that became this, I guess, online brand called Passive Income MD where I blog, I podcast, I have courses, I have conferences. And essentially we just create communities around physicians who want to learn how to create other streams of income, talk about finances, talk about life, talk about entrepreneurship, real estate, all of those things.

Again, it's been a fun ride and I've been able to meet cool people like you.

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Bonnie: I remember you told me that how you kind of figured out real estate was you started talking to other doctors who seemed happy. Something like that, right?

Peter: Yeah, I think the story is that when you're in a bad situation, again, without going into too much detail, it was my chief at that time changed the schedule on me, changed my allocation of shifts, changed it from some daytime that I was supposed to do to some nighttime and more weekends, and less shifts. And so all of a sudden I saw my income potentially cut. I also saw the way I was working, I was going to be working way more nights and weekends. And I thought as a partner, it wasn't a great feeling.

And when you're in a feeling like that or in a situation where you're unhappy, sometimes you feel like you're the only person out there and you feel kind of stuck. I don't know if anybody else listening to this feels or has felt that way. But what kind of worked out for me, luckily, is that I happened to find somebody like in the doctors lounge and they were telling me about maybe some of the investing they were doing and about vacations they were going on.

And then I realized, wait a minute, there are other people who must have figured this out. They must have figured out some other way to be happy as a doctor and continue to practice how they want to practice. So then I went on this tear where I started asking everyone. I started hanging out in the doctor's office drinking my coffee and saying, "Hey, yeah, I noticed on Facebook, I saw you guys go on vacation. How often do you take vacations?" And just sort of asking people.

Essentially I became like a reporter where I started interviewing people, in a good way, just to find out more about their lives, find out what they were doing. And it turned out that I found all these doctors who actually were living really good lives as physicians. I never knew about it because you never really talk to them about these things at work, you just kind of live your lives.

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And then I asked them like, specifically, what are you doing to really create that life that you want? And it turned out that the vast majority of them were investing in real estate. And so I was like, okay, I've got to find out more about this.

And so really, I just started really diving into it as deep as I could. And essentially I figured out that it's possible for doctors to have their day job, but funnel and shift a lot of their income over to real estate and create this really, really nice other stream of income that really creates a lot of financial freedom for them. And that's what I started doing.

Bonnie: Yeah, I remember when you first started your blog you were anonymous.

Peter: Yeah. Well, the story behind that is that I had a friend, and his name is CJ Langevin, and I actually interviewed him recently for the Leverage And Growth Summit. He himself has started this business where he starts the spirit and alcohol business, which is really cool. But at the time, he was really into this whole finance, you know, doctor and finances thing.

And he and I were talking about it, we started talking about real estate. And then he was like, "I wish more doctors were talking about this online." He told me about the White Coat Investor. And he said, "There really aren't a lot of resources around real estate and physicians online, and you should do it because you are learning about it right now. I'm sure people would want to know about it."

The problem was that I was worried that if I talked about creating more time for myself, creating more freedom, that maybe people in my group would look at me poorly. And I was a young partner at that time and I wanted to talk about things like doctors living paycheck to paycheck. But I couldn't do that freely, so I decided to do it anonymously.

And it's so funny how it just took off from there. Even me not even putting my real name, just putting some vague details about myself.

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Bonnie: Yeah, how long did it take you to come out?

Peter: I'd say about a year. So I wrote, it was actually really fun writing anonymously because you feel like you can really be open and honest and not worry about it. But then there started to be a point where people started just emailing me trying to find out more about me, asking me where I was, asking to meet with me, asking my opinion on certain matters. And I was like, "Oh my gosh, this is kind of getting bigger than actually I thought it would be."

And I mean, again, there was a moment where somebody was like, "I'm going to be in your area," because the only thing I mentioned was that I was in Southern California. They're like, "I'm in your area, can I please meet with you? I really have a question that I need to ask you and meet up with you in person."

I was like, oh my gosh, this person doesn't even know who I am. It's anonymous. This is kind of crazy. Somebody else was like, "I'm about to make this investment. I really need to have you validate whether this is a good decision or not."

And I was like, okay. At some point I realized if I'm going to really make the impact that I want to make, which I love meeting with people, I love connecting with people face to face. And that's really why I love the communities that I build. The only way to do that is to be out there.

And I remember talking to people in my practice, some people that kind of knew what I was doing. And I was asking them, what do you think would happen if I came out public? Do you think people would care? What do you think people would think? And most people said, "I don't think people will care very much or not a lot will happen to you." But I was worried about the consequences, worried about the worst case scenario.

And so after a lot of thought behind it, I decided to go public on it. And I went public and nothing happened. Nobody even said anything to me. I remember when I published it, I was all nervous. I'm like people are going

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to just start calling me into their office and this kind of stuff. But nothing happened. Nobody cared. In fact, if anything, it really allowed me to open myself up and meet more people and connect with more people.

And honestly, they felt that now that I was actually putting myself out there, that I was actually a real person. And people felt more comfortable talking to me.

Bonnie: I love what you said, no one cared. Because every time I'm worried about public opinion, one of my coach friends, I can always count on her to say, "Bonnie, no one cares."

Peter: Yeah, no one cared. I mean, it did come up later. I will tell you, it did come up later. Later on, finally when – I think it was only just a few years ago, when I was considering my job and my position. And I talked to our new heads of the department because there had been some transition.

And they knew that I was working less and less and less. And one of them actually said, "I know you've got this other stuff online. I've looked it up. I've seen it." And I was like, "Whoa, somebody actually saw it." And that was the only time I remember it came up. It just made for some interesting conversations. But at the end of the day the situation I was in, I made sure, obviously, legally, that everything was okay. I made sure that it was kosher in that sense.

And again, I made sure not to bad mouth anybody. I wanted to make sure that stuff on there that people would read, that I know it's public, that it would not come back to hurt me in a way. And so I just made sure everything that was on there was good and, honestly, nobody has cared since.

Bonnie: Yeah. Well, there's a few things you said that I really want to highlight because basically, and actually we have similar beginnings in terms of how it happened because I had no, kind of like you, I went down a rabbit hole. It wasn't real estate specific, it was just learning about basic personal finances.

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And then someone was like, "People need to know about this." And White Coat Investor was already around, but they're like, "But there's no woman in this space." And so she was like, "You should start a blog." And I was like, okay, I'll start a blog. And it kind of went from there and then we met at the first White Coat Investor conference.

But I think what it comes down to is seeing a need and basically, you know, there's a problem. And we both kind of saw that we could help people solve that problem through education and stuff like that. And then ultimately helping people because I think all doctors kind of have that desire to help people, right? That's kind of, hopefully, why we went into medicine, right?

Just to show people, I actually just had a call with some of my clients and also women who were interested in joining my program. And one thing I said is, a lot of the financial advice out there focuses on cutting expenses, right? Like looking at expenses and seeing what you can cut down, which is fine. But most people never consider you could also figure out how to make more money, right? That's not talked about.

And I was like, when you combine those two it's very powerful and very synergistic. And then you can really make a lot of financial progress. And in terms of how to make more money, real estate is sort of a natural way, and then starting a business. And very few people think they're ever going to start a business, but then they start seeing a problem that hasn't been solved, or maybe it has been solved out there, but the beauty is there's so many people to help, right?

You don't need the whole world population to help people. Like we help mostly physicians, right? Because physicians, I think, feel comfortable having another physician helping them versus some rando. And vice versa. And so I think this just goes to show, neither of us woke up one day like, "Let's start a business to make money." It just kind of happened a bit more organically.

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And obviously, people do intentionally start businesses too. But I think basically a lot of these businesses that I've seen physicians create is like they see a need, they want to help people. And basically, they realize that they can actually help people and make money while doing it.

Peter: Right. And I think one of the things that I realized through all of this, and if I really look back, I mean, the thing that really changed my trajectory and gave me hope was just finding other people who were doing these things.

At this point I thought I was the only one and I was stuck in this situation. I thought there was no way out. And I don't know if, again, a lot of people feel like that, but sometimes you just meet the right people, you find that community of people who are doing stuff, whether it's investing in real estate, starting businesses, making more money, like you said, doing these kinds of things. And then it just opens up your mind to different possibilities.

And that's what's exciting, I think, about a lot of the stuff that we've been able to create online and you've been able to do with your communities. All we're doing is highlighting, a lot of times, other people. Ourselves and what we've been able to do, but also other people who are doing some really cool things. And it just gives people a chance to think outside themselves, think what's possible.

That's what's really been a big part of my journey. And that's what's so fun about doing what we do, because we get to just talk about things and people are like, "Oh my gosh, I didn't even know that was even possible."

And then once you kind of open up those possibilities, then people, you know, they have ideas. They have desires. They have wants. They've had things that they've been dreaming about and that they've may be pushed down because they just thought it was impossible. Or it's not for me, or I can't do it.

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And then they see these other people doing it, and all of a sudden they realize, yeah, maybe I can. They get to ultimately take those steps, help them get to where they want to be. And it's really cool to see.

Bonnie: And also, a lot of doctors have that like just suck it up mentality. And like, well, I'm a doctor, I make good money. I shouldn't complain, I'll just suck it up, just work more. Because every year reimbursements go down and so they literally have to work more if they want to, you know, anyway, that's a whole other story.

Peter: It's the big hamster wheel. The treadmill goes faster and faster and faster, and to stay in the same place you have to run faster or else you fall off.

Bonnie: Yeah.

Peter: So I get it.

Bonnie: Yeah. So let's talk a bit about real estate, because for a lot of my clients, that's kind of the next logical thing to invest in after they kind of figure out their retirement accounts which is, obviously, mutual funds and stocks. So that's kind of the next decision point for many of my clients.

And so what I teach in my program is like, hey, this is real estate, this is why you should consider it. These are the different ways, because there's a whole range from passive to active and all the things kind of in between. And I just learned about mineral rights investing from you, for example. I was like, "What? There's this?" And all this and that.

And so tell me, and I know you invest in both, but tell me why you decided to – Actually, I don't know the answer to this, tell me why you decided to focus mainly on passive investment, although I know you have active ones as well. But in terms of like you decided to create a course for passive investment versus a course on active investing, even though you probably could teach that too, right?

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Peter: Yeah, I mean, that's a big question. I'll kind of try to break it down. But the thing I've learned about investing over time, and I've always, whenever I ask people like what does investing mean? Like some people have good answers or people are like, "I don't know, just making more money."

But what I've really learned is that investing is taking today's cash flow, basically trading it for tomorrow's cash flow, right? Whenever that is. So the goal of all of this stuff, all of investing, of making money, all that stuff is for cash flow, right? That's how we all live.

And so the question is, do you want to trade today's cash flow for cash flow 20 to 30 years from now? Or do you want to trade cash flow for like cash flow starting next year or the year after? And what will that kind of do for you and your life and impact and lifestyle?

I think most of us in the conventional way, the way we were taught is that we should be trading today's cash flow, meaning that we're taking the money that we're making today, and then putting it away and socking it away for something like 20, 30 years down the road when we can have that cash flow.

That's conventional thinking, but I've also realized that's not the way I want to live my life. I want to actually, if I'm going to invest money and pull from today, I want that money to come back to me soon. Meaning I want that money coming back to me next year, next month, and ongoing from there so I can ultimately start living and enjoying life now.

Meaning that I'm able to do the things I want to do now while I'm young, and I'm healthy, and I have my kids in the house. And I have good friends around, versus later on, which is not guaranteed. And number one, right, my health may not be good at that point and that sort of thing. So when I looked at that, when I thought about how I wanted to –

Bonnie: Let me just stop you for a second.

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Peter: Yeah.

Bonnie: I've actually never heard of investing talked about that way, but it just makes so much sense. Like that's literally, I just love the way you're talking about it. Obviously it does involve, hopefully, making more money. But I love it, you're basically using today's dollars to create future cash flow.

And like you said, the conventional thinking, this is something I harp on a lot with my clients or just in my podcast and my work, is like most of us are basically taught, invest in your 403 B, stock market. And then 20 years is actually not a lot of time, usually it's like several decades, right? Like maybe when you're 60 or 65 or 70, then you could draw from it. And then the only choice in between is to work.

Peter: That's what I mean. So basically, you're just trading all the money right now. If you ever read the Book Die With Zero, he does a lot of data and he does a lot of research. I mean, the truth is that most of us listening to this podcast, if not all of the people listening to this podcast, unfortunately, are going to pass at the peak of their net worth. Meaning that you're going to probably die with a lot of money in your bank.

And the question becomes, is that the most efficient use of your income, use of your time today especially, to create all that income that's essentially just not be able to be utilized by the end of your life, right? It goes to your family and your kids and all that stuff. But you're essentially trading time today for money that you probably won't be able to use, at least a good portion of it.

I'm talking about those extra moonlighting shifts. I'm talking about those extra weekends that you could have given up, maybe even those holidays. And so when I began to think of things like that, I began to think like, okay, how do I want to best use my time and my money so that I can start to really enjoy my life now? And of course, with an eye towards the future, too, you don't want to be totally irresponsible.

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But if you can invest well and invest in things that produce cash flow sooner rather than later, then you'll have money tomorrow and you'll have money, hopefully, 20, 30 years from now. And you can pace things a little better.

And so when I looked at all the types of investing out there, what made sense, really real estate was probably the best vehicle, at least at that time, that I saw, right, I mean, to create that. And in fact, I still believe it's the best vehicle for that because as physicians, we're really lucky and fortunate that in some ways we have a steady paycheck. I mean, I know reimbursements are changing and things like that.

But it's almost like we know what lever to pull for money to come out. That money can change how much comes out, but it's pretty reliable. It's like a slot machine. We know pull the money, put your time in, and that money will come out. The thing is, what do you do with that money? And how can you utilize the least amount of extra time to create that cash flow?

And so real estate just happens to be a great vehicle. And real estate is like a great umbrella. I mean, again, it's a huge range. It's like saying you're in medicine, it doesn't tell you enough information. You just know that being in real estate you can create more income, but there's so many different ways to get involved. Like you said, active, you're owning your own properties, being a landlord, to passive, which is like investing in other people's deals. Or maybe even investing in a REIT, right? In something that's publicly traded.

So there's a whole spectrum and a whole range of things that you can get involved in. And so it really comes down to how much time you have, how much energy you want to put into all of this, and then how much money you have. Obviously, the more money you have to invest, the more you can create in terms of cash flow. But how much time do you have? And how much energy do you have to put into all of this?

And so I have a portfolio of both active and passive real estate, meaning that I own my own properties and also invest in other people's deals. But

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I'm limited by the amount of time that I have. And do I want to spend all my time in real estate? Honestly, no. I want to spend some time doing some really cool things with my life. I want to travel with my family, travel with my kids, and do that sort of thing. Also run these other businesses that I'm really passionate about.

And so I don't want to spend all my time in real estate and owning my own properties. Now, I know that I could make more money doing it. I know that I could probably do better if I spent all my time and energy in it, but that's not really what I want to do. So I made it very clear that I have this amount of time to really put towards active real estate investing.

And if my portfolio outgrows that time, meaning that a certain property I bought starts to take up way too much of my time and it doesn't make sense, I will sell it. And that's what I've done in the past. And I've kept my active portfolio in a little box, because it does provide benefits. So I want the max benefits that I can take from it. But once it bleeds outside of that, I take that money, and I put it into passive investments.

Because ultimately, I think we all invest in real estate for what passive real estate investing offers, meaning that we want to put our money somewhere, have it create cash flow, and not put in any additional time, right? That's what we want, I think, real estate to do.

Bonnie: Yeah.

Peter: I think a lot of us like real estate. We like buildings and things like that, and maybe there's a business component to it. But at the end of the day, we want to put our money somewhere that produces income for us so we can live our lives however we want to. And I think passive real estate ultimately fits the bill.

And so you just have to learn how to do the due diligence on the front end, how do you pick the right people to invest in? How do you make sure you're investing in the right deal? That's where you can spend your time, energy and effort. But then once you're in a deal, all you should expect to

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do at that point is to look for, basically, quarterly updates and make sure that the deposits come into your bank account. And then figure out what investment next if that property or that investment does sell?

Bonnie: Yeah, no, that was a really great overview. Sometimes I'm sure you wonder too, it's like, huh, if there are so many other ways to trade today's dollars and get it sooner than when you're 60. The question becomes how come more people aren't doing it?

What I encounter, and I'm sure you do when you start working with people, is there's a lot of fear. Because basically we've all been kind of, I just like the word brainwashed, investing in mutual funds and stocks is "safe," which is kind of funny if you think about it because we don't really have control over these companies. And if you did you wouldn't be talking to us, right? You'd be super rich and on the board of like Coca Cola or something.

And so there's this sort of belief out there that real estate is risky, or it's hard. And actually I was coaching someone yesterday in my program who has invested in quite a few syndications. And now she's worried about it because of the way the market is going. And she's like, well, none of them have had capital calls and yada, yada. But then she's like, I don't think it's a good time to invest in real estate.

So how do you address that? And how do you think about that for yourself in terms of the risk? Obviously you've been doing it for some time, you're comfortable, but I'm sure you've heard all the excuses or reasons as to why they shouldn't do real estate and they should stick with stock investments, right?

Peter: Yeah, again, I think, whether we're talking about traditional retirement or not. And I get really passionate about this because I've been looking into this quite a bit. I think that people look at risk, when it comes to your retirement, 401k's and all that stuff, they just look at it one way. I mean, they look at your risk in terms of, okay, you put it in the stock market,

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you know it's going to increase this much. And you can look at the history of the stock market and that's how we make our determination.

And if you do your 4%, people heard of the 4% rule, you pull your 4% every year, then you're going to have this much for the next 30 years. And the chances of failure in that situation is, I think, 4% or something like that, I forgot, by conventional metrics and that sort of thing. They use this whole thing called the Trinity study that they talk about.

But people don't look at the other side of that. This is what I'm learning, and this is what people may or may not know about this whole 4% rule, and I hope you don't mind me talking about it right now.

Bonnie: No, not at all.

Peter: But, again, people look at this whole 4% rule, and again, the premise and this is probably the foundation for a lot of what financial advisors will tell you today, save up this amount of money in your stock portfolio, in your retirement account. And you want to hit this number so that you can draw 4% a year, adjusted for inflation. And you'll be able to live off that for the next 30 years. And they say like this is a basically 96% proof thing and everything else is risky.

Well, what they don't tell you in that study is that actually, if I remember the exact numbers. I don't have the exact numbers here, but when they look at, I'd say since the 1920s, 80% of people in that way, I think it's 80% of people ended up with twice the amount of the portfolio than when they first started when they died after 30 years. Which also means that the median was that people ended up with 3.5 times what their original portfolio was by the time they died.

So you spent all this time worrying and spending and saving all this money till you're 60, 65 years old and then you end up dying with three and a half times that in your portfolio. That's the median. And to me, that sounds like a good thing maybe on the surface, and people use that as a good thing.

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They say, oh, it's not going to be risky because you're going to end up with so much more, more than likely.

The problem is you're going to die with that much money in your bank account that you could have used early on in your life, to work less, to enjoy more, to spend time with your family, all of this stuff. And so basically you're giving up everything today, or so much of today expecting this amazing thing to happen in 20, 30 from now when your health might not be good. You may not even make it. Who knows what your family situation is going to be like in that scenario?

So, in my opinion, basically, you're giving up a lot today for something that's not even guaranteed in the future. And to me, that's like the definition of big risk. That you're given up something certain today, which you know your health today, you know you got your time today. But for something in the future that may or may not come to me, that seems really risky.

And so how can I make sure that I'm able to take advantage of what I have now? And to me that vehicle, and it would be something that, again, distributes and gives you cash flow on a regular basis today that you can spend and use. And so I look for all these other things out there, yeah, dividend stocks are out there, too. But I looked for other things that you can utilize to do that.

And I found that real estate just seemed to be, obviously, the most widely used thing to create that kind of lifestyle. And I think that's probably the most well-known. And again, it's not something that hasn't been done before by doctors and physicians. So I basically just followed the track of other people that were smarter than me. And that's probably one easy way to do things, is find somebody that you find successful that has the type of life that you want. And then just model them.

Bonnie: Yeah, find out what they do.

Peter: Just model them. And so my heroes in this space are people that I looked up to who were doing real estate. So I just followed that roadmap

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and it's really worked out well for me. And so that's why I made that choice of real estate versus stocks. It wasn't that I loved buildings and things like that. It was really what it gave me and offered me.

And then when I saw this whole thing with stocks I was like, it doesn't make sense to me. I mean, when you start thinking about it, I'm not going to give it all up today for 20, 30 years that may or may not come. And honestly, I'm probably going to, at that point, have more than I need. And I can't even utilize it.

Bonnie: Yeah.

Peter: I don't know, that's the way I think about things.

Bonnie: No, this has been an awesome conversation. Like I said, even just the way you discussed investing, it kind of blew my mind. So people listening who are not as familiar with real estate, I think it's important to highlight that you do get a return on investment sooner rather than later, you're not waiting 30 years from now.

And with syndications you start getting payments relatively quickly, it's not 20 years. It's within – Actually, I don't know. You would know that more.

Peter: Well, it all depends. Yeah, it all depends what type of deal. And I think that's one of the questions you have to ask, I think, when you invest in these things, and again, when I invested in my first one, I was sitting there six months from now and I was like, "Wait a minute, when do I get my first check?" And they were like, "Well, we told you it would probably be 18 months." And I was like, "Oh, I didn't realize that." I didn't ask.

So these things, they vary. And they're different according to the type of deal, it depends on the market, it depends on how things go. But the goal of these things is to, you know, oftentimes these syndications will hold for three to five to seven years, meaning that you buy an apartment building. You as an investor essentially own a small share of it. And so you can literally say like I own 1% of that building, or whatever it might be.

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And so as an owner, you get access to distributions when they get cash flow. And then when they sell you have a portion of the profit, an upside according to how much you invested. And so the cool thing about these types of investments is that you, again, somebody else is owning and managing it. And you just expect to get cash flow and distributions as the property does better and better and better. Now, that cash flow usually starts a little smaller in the beginning, and then it increases with time as the property gets stabilized.

One thing I like about most real estate that I invest in, and again, I don't usually invest in a lot of the stuff where you invest and there's no cash flow and there's hopefully a big homerun at the end. You can do that real estate too, but again that kind follows the stock mentality, in my opinion, a little bit. What I like is I like the real estate that essentially forces you to take distributions. It forces you to get income along the way.

And when you get that income along the way it hits your bank account and you end up using it, right? You end up using it to buy your time back, you use it to go on trips, you use it to do all these things. And that's kind of why I like what I'm doing.

Bonnie: And I will say, for most of the women that I work with, passive is kind of usually the first step because it is very attractive because it is passive, right? And they're like, I don't want to be a landlord, et cetera, although a good amount of them end up owning properties too, but not all of them.

I started with passive with your help, and I do own two active properties. I don't love the active side. And I think that's fine. I think I just gave myself permission to – Or it doesn't mean I'm not going to do it down the line because they're two single-family homes and I'm like, if I do it again in the future, it's going to definitely be bigger and do multifamily versus these little dinky properties.

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One thing that you highlighted multiple times is how important the community is, so that's like really your superpower. And so one of the things that I think, I mean, you've created so many communities, but the one I want to highlight here since we're talking about real estate is the real estate conference that you started pre-pandemic, took a break, and now is in-person again.

And I tell everyone to come to this conference because it's a great way to learn about real estate and even if they're already investing, they're going to learn new ways. They're going to make connections because, as you know, real estate is a lot about relationships. They're going to be other mostly doctors who are doing this and that's just so powerful like, oh, I'm not the only one. And you meet new friends, right? And then you meet like-minded people.

And so I've been telling everyone to save that week in September because that's when it is. Talk about why you decided to create this and sort of how it's grown over time?

Peter: Well, first of all, I just love getting together with people. I love connecting with people because I've been to a lot of real estate conferences on my own that were, let's say, non-physician based. It was fun and I got so much value out of them.

And honestly, I get more value, oftentimes, outside the room than inside the room of any of these conferences, meaning with the connections and the network. And maybe it's just one thing someone said that I took home and that changed kind of the trajectory of my investing.

And I was like, why isn't there one for physicians specifically to talk about real estate? And there were enough people in our community that were asking for this, and I would say that, again, it wasn't necessarily all my own doing. I just asked people, what do you want? What do you need? And people were like, well, we want to get together to talk about this stuff, and kind of immerse ourselves into it for a couple of days or a short day.

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So that's what I did. I mean, the first one that we launched, the conference in 2019, it wasn't super planned out well in advance. I think we only launched it three or four months before the conference because people were asking for it. We decided to do it. For one day, I rented out a big ballroom in Los Angeles near the airport. And for one day several hundred people just showed up. They showed up, people flew in from Alaska, they flew in from Maine, from Florida, all parts of the country, which was crazy.

But it just showed me that the need is there. People want to connect with other people, hear their stories in person, and feel like they're part of a community doing this. And so we did it virtually throughout the pandemic. And then once things were a little safer outside of that, last year we got together again in-person. And we do it now live and virtual, because a lot of physicians may or may not be able to make the trip.

So we're going to do it again this year, September 21st to 23rd, again, in Los Angeles. And this one, actually, we're doing a little bit differently, meaning that we're talking about real estate and so we're going to bring together a lot of key people and thought leaders in this space. We're going to create a lot of opportunities for people to connect with other people, because I think that's what it's really about. I mean, you can hear about a lot of this stuff like at home.

The real value of a real estate conference like this is meeting other people that are doing this, creating connections, creating your network, finding out who people are investing in and investing with.

And this year what's a little bit different is that we're going to add an entrepreneurship track to it. So many people in our community, not only do they own real estate, but once they have this kind of mindset, they look to explore other things. To start their own businesses, start their own coaching practices, become advisors. Whatever it might be, they figure out other ways to create income.

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And so a lot of these people have the same mindset. And so many people have wanted to have this all under one umbrella and that's what we do through Passive Income MD in general. So we decided to add that track too. So for people that are interested in entrepreneurship as a physician, interested in real estate, about mindset, we're going to put it all under one umbrella, and it's going to be so fun because we're going to bring together so many cool groups of people.

And the goal is, and always my goal – and I tell people this – is to create as many collisions as possible. Meaning that I want as many people to connect with as many people as possible when they come to this. I don't want people to just sit there and be a passive person in this conference. I want you to connect because at the end of the day, this is all a team sport.

I believe that investing in real estate, especially passive real estate, when you're investing in syndications, we can all help each other make better decisions, invest with better people, and ultimately help each other achieve our outcomes, keep each other accountable. And so that's really the goal of the conference, and essentially everything else we do.

Bonnie: Meeting other people is so powerful. So if you remember the last conference you did, you kind of did some small breakouts. And I remember I had a lady in my group, and I think she wanted to network but she just wasn't used to putting herself out there. And so we talked about it and I was like, "Okay, well, how many people do you want to meet and get phone numbers?" And then she's like, "Well, I think I can do two." I'm like, "That means you've got to do 10." That's what I told her.

Peter: I remember that.

Bonnie: Yeah. And then by the end of the conference, she had her 10. And actually, she was at the White Coat Investor conference and now she's like a pro at this.

Peter: That's amazing. I mean, it's just little things like that, to find somebody to challenge you to help you get down the path sooner. And

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hopefully that helps people take action. I think that's really what it comes down to, is to take action and just get started.

If anything, I always tell people my advice is to get plugged into a community. That's really what it is. You've got to surround yourself with like-minded people or people that maybe you model, want to model, maybe aspirational.

In fact, it's okay to feel uncomfortable in a group. Meaning if you feel uncomfortable when you're sitting in a group and you're like, "They're so much further ahead of me," then you know you're actually in the right group. Meaning that you want the other people to push you, to support you, that you want to connect with. And everybody will help each other and bring each other up.

So if you're not plugged into a community, whether it's ours, yours, Bonnie, or you people that are just hearing this, find a community of at least a few people that you can connect with to talk about how to create your ideal lives, try new things, and make sure you just keep each other accountable in that.

Bonnie: Yeah, no, that's awesome. And I think one thing I want to say is, one of the things I hear a lot, besides the fact that they love the community, like I said, I don't think I went to any of the lectures last year. Maybe one or two at your conference, and a lot of it was just mingling. I think people, they're really surprised by how nice everyone is and how willing people are to give their time to help people.

I think there's this genuine desire to help someone move forward and help them sort of break that activation energy needed to really get started. And so I think that's also what's powerful, is like you meet people and they want to help you and they're like, "Wow, these people are doing things that I want to do, or their life is where I want, and they're willing to help me." So I think that's really powerful. I don't think your conference is available at the time of this recording, right?

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Peter: Well, we're going to go on sale around May 15th is probably when the tickets are going to go on sale. We definitely have a limited number just because of the size of the hotel.

Bonnie: Yeah.

Peter: But people, if they're looking out for it, I guess just look for, it's called PIMD Con, just like casually, because that's PIMD Conference. But it's going to be called the Physician Real Estate and Entrepreneurship Conference. And so people can look out for it. If they're part of our communities, I'm sure if you're part of our email list you're going to get a ton of information.

Bonnie, I'm going to make sure your community knows about it as well. I know Bonnie is going to be there. Some amazing people that people will want to meet will be there. You will hear about it, I promise.

Bonnie: Yeah, I'll make sure everyone, obviously, on my email list knows and everything else. Okay. Well, Peter, thanks so much for being here. I learned a lot. Like I said, I'm sure this is going to be super valuable to other people. I think they're really going to think about like, wow, using today's dollars for 30 years down the line, or can I shorten that to a year? Or even if it's five years, right?

That makes a huge difference in what it makes possible. Because I'm sure you and I both know, most doctors want to work a little less at least. And if they can access that in a few years versus 30 years, that's huge, right?

All right. Take care, everyone. Thanks for being here.

Peter: All right. Bye, Bonnie. Thanks, everyone.