

EPISODE 1230

[INTRODUCTION]

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Tim Kelly (TK): The military teaches us so much and it's embedded in our DNA to be extraordinary entrepreneurs and business owners. I mean, the discipline, the grit, the resilience, the teamwork, the leadership, all these things that you need to be successful in business, it's like kind of ingrained in us the whole time we're in. So, really harnessing all that, we have a major advantage.

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David Robinson (DR): This is your daily real estate syndication show. I'm your host, David Robinson. Today, our guest is Tim Kelly. Tim, welcome to the show. I appreciate you coming on.

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TK: Hey man, not a problem. It's an honor. It's an amazing podcast, helped ton of people. So it's my pleasure, man. Looking forward to the conversation.

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DR: Absolutely, so Tim is a real estate investor and educator, a best-selling author, speaker, and high-performance coach. He also recently separated from the US Navy as a chief petty officer after 15 years of service. Thank you for your service, Tim. As VP of education and co-owner in the incredible platform, Active Duty Passive Income, ADPI, Tim is helping active, veteran, reserve, and other military-affiliated personnel realized their financial freedom goals through personal finance, real estate investing, and wealth-building education and coaching. Tim also co-authored the number one best-selling book with ADPI titled Military House Hacking, and he is now working on his, not just his first, second, or third book – his fourth book, specific to commercial and multifamily investing.

So, Tim, you've accomplished a lot while you were in the military, and since you have left, let's talk a little bit about your journey. If you don't mind, let's back up, let's talk about that, how you even got into the real estate world, and then let's discuss a few little things about how you're helping veterans get into the investing space at this point in time.

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TK: Yeah, man, not a problem. As I said, I was in the Navy, I served 15 and a half years when I got out in November of 2020. During my career, and I was brought in for about nine, 10 years, I went on a long deployment in 2014 and in just stock up on a stack of books about just always had a genuine interest in curiosity about just building wealth and personal finance and just money management because they don't teach it, so I'm like, I do, people become so wealthy and create abundance and essentially get rich. There's no education, I'm like, I gotta read up on this stuff on my own.

So I just read a bunch of books on that deployment, and I just saw this pattern of real estate investing and I just got the bug before I even got on that deployment. So, as soon as I got out of that deployment in late 2014, early 2015, I just dove in, read every single book I possibly can, started diving into the podcast, learned about the Bigger Pockets community, and then invested a lot of money into education and mentorship and coaching just so I could really have all the knowledge, and I knew investing in myself made a whole lot of sense.

And a lot of military members, I come back from deployments, they like to spend money on cars and stuff like that, I decided to do investing myself and just give myself the education and mesh and coaching it and kinda did that and sort of went and had the knowledge across all the different asset classes. Horizontally, I learned all the different concepts and strategies and asset classes in ways to get involved. And then I quickly I was magnetized and drew closer to the commercial and multifamily, just made the most sense to me at the time, I didn't think that I had to just kinda start from a single-family homes and scale up and slowly baby-step your way.

I just, maybe I was impatient, I just didn't want \$100, \$200 per door cashflow, and it seems like it was too much, especially 'cause I was still active duty and is wanting to try it. Well, give me

options after the military. I kinda just went straight to commercial multifamily and just dove right in and both small multifamily, two to four units as well as the large commercial multifamily that I kinda just quickly dove into.

And so, yeah, that's what allowed me to just separate and get right out of the Navy at 15 and a half years, and I got a lot of funny looks being so close to that 20-year mark and "why are you getting out?" They just didn't understand my time, it just didn't make sense for me to stay in for another four and a half years, do what I wasn't really where my heart wasn't all about it. I would have had to go on another couple of deployments. I just would rather have continued to build my wealth, and then obviously I got involved in active-passive income, and now I'm able to share all that and give back and create a lot of other military members to help them establish their financial freedom and create wealth, really through buying real estate in America and owning more of the land that they ply hard for. Yeah, so my main focus is right now and helping coach and educate other members in our Active Duty Passive Income community.

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DR: Well, I appreciate that background, and I wanna touch on a couple of things. First off, when you started to explore investing in real estate, roughly, what time frame was this? Let me ask it this way, what year did you actually separate from the military, and what year did you buy your first investment property? Just to give us some context.

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TK: Absolutely. 2011 was when I wasn't investing. I use my VA Loan, purchase a single-family home, and then I ended up house hacking it without even really knowing what that was. And then went on the deployments and how hacked the room at in there with my wife and then learn about the idea of investing. So, right off that deployment, I ended up just buying some land locally, I was just looking at real estate, and I learned a little bit about buying land.

And so I bought that piece of land with a partner in 2015 right after I got out that deployment. And then dabbled a little bit and try to figure out wholesaling and the single-family stuff, and

then that's why it didn't really make sense to me, and then I got into, in 2016, I'm like, I'm doing multi-family. That's what I'm focusing on.

And then I got orders to come to Pensacola, Florida, where I still reside today, that was my last duty station, Pensacola, Florida. And as soon as I got here in early 2017, is when I bought a four-unit property because I just really enjoyed the house hacking strategy but six months later, I closed on the commercial and multifamily deal in 2017 with some partners. And then I ended up getting out November of 2020.

So within really that three-and-a-half-ish-year span, just aggressively was getting into the commercial multifamily, mobile home communities, apartment communities, and then early to mid-2018 is when I kinda joined forces with an Active Duty Passive Income. Now I'm a co-owner and I've been just doing deals while still active duty, building up the ADPI, scaling that company. So yeah, November of 2020, when I got out the first deal done in mid-2017, my first actual apartment complex.

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DR: That's great. I think that gives our listeners some context, especially those that are in the military right now, and they're trying to figure out a way potentially for them to either serve their full-time and exit that way and then also get into real estate. But also some that wanna do exactly what you've done and be able to exit early, but also have a path to financial freedom and build and wealth and covering out their own path.

Were there any challenges that you faced during that time, as far as the mindset of exiting the military early? You alluded to the fact that you got a lot of funny looks from people when you decide to exit after 15 and a half years. From a mindset perspective, and actually taking the action to leave, any advice that you'd give to veterans who may be considering the same thing?

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TK: I'm telling you, man, when we're serving in the military or focus on our mission, whether they enjoy it or not, but most of the people in the military don't have the ambition to make a big dent in this world and create a lot of abundances and give back, and the legacy and all that. So you can't really have conversations about, "Hey, I'm going to buy a 100-unit apartment complex with some partners or go in and raise some capital, or I'm gonna look at deals, or I'm gonna create these other vehicles, give seven figures this year." You couldn't talk to that. So just like any W2 job, a normal corporate job, a lot of people don't see through that lens really difficult.

But, yeah, when you're surrounded by those individuals, you're inevitably gonna be affected by them. Right, there was a lot of people are like, "Are you sure you wanna do this?" And I did second guess myself, and even my family, even my spouse was like, "This doesn't seem right." And what I knew deep down, it just didn't make sense for me to stay in. But as far as that transition, I've seen a lot of people in our community that are currently going through that transition, they're about to go through and endure that transition, because there are opportunities out there if you obviously have the education – you're putting yourself in the right environment and hanging out with the right people, and you are able to set goals and move towards goals with discipline.

Obviously, it's not for everybody, but the military teaches us so much and it's almost embedded in our DNA to be extraordinary entrepreneurs and business owners. I mean, the discipline, the grit, the resilience, the teamwork, the leadership, like all these things that you need to be successful in business, it's like kind of what's ingrained in us the whole time we're in. So really harnessing all that is where obviously the veterans thinking about separating how to know we have a major advantage.

And again, transitions are not are not easy at all. Especially if you've spent a good amount of time in the military, there was a lot that people take for granted being in the military, just the benefits, the medical, and just a consistent three meals a day, the roof over the head, like the basics, we're covered. You don't even think about it. Right, but now obviously you separate, you gotta consider that. Think about it and yeah, so there's a lot there to unpack. But I've

successfully seen a lot of veterans transition successfully. Even just in our community alone, I know a lot of other veterans who are transitioning out into real estate and realizing that there's a lot of opportunity in real estate, which makes their transition that much easier.

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DR: Well, and it was a process for you, right, you really started to, from an investment standpoint, 2015, your first sort of investment in the land deal. And then 2016, started to really hone in on your focus of multifamily, bought that four-unit in 2017. So here we are talking about 2017 when you really start to get real clear on what you want to do, and then you didn't exit until 2020. So a three-year transition period for you that you were setting things up. You joined ADPI in 2018, and so you were really putting the pieces in play to be able to exit and do what you wanted to do moving forward in your second professional life.

Talk to us a little bit about your experience with ADPI. How did you get involved, what your role is, and how do you help veterans and active duty in that space?

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TK: Yeah, thinking back, it's crazy. I was sharing my story, I was a guest on the Bigger Pockets podcast back in 2018 with one of my partners, we were just sharing our story. And then the co-founder, one of the co-founders of ADPI was listening to the podcast. His name was Eric Upchurch, now he's just one of my best friends and still co-founder and co-owner in ADPI. He heard me on the podcast, I gave up my cellphone number at the end of the Bigger Pockets podcast, people think I was crazy for doing that.

But hey, number one, he heard me, he immediately got my number, he immediately called me and we just hit it off immediately. We talked for a couple of hours, and since then I was part of the team and was invited onto the team because I always had a passion for educating the military, even while I was serving, there's this cool role called the command financial specialist, where you are able to help screen sailors and marines and service members on base and on ships on deployments about their own personal finance and just getting their head wrapped around their financial education.

So, I always had a knack for just learning about personal finance and building wealth and sharing and teaching other members. So he heard that on the podcast and I was focusing on multifamily, and they were looking for a multifamily educator, and it was just a perfect fit. And so at that point, I joined and from there, we just helped build a community at that point, it was just a small single-family residential course for military members, the military real estate academy. One point of the first one we did in a small Facebook group, and then just a basic podcast.

Looking back, that was in mid-2018, and from that point, now, we've interviewed people like Grant Cardone, Robert Kiyosaki, Jaco, all these incredible people. We get more fulfillment interviewing service members who just start from zero, go through our community, go through education, join our mastermind, now they're crushing it and building this empire outside, whether a lot of them are serving in active duty.

And it's just been a pleasure to be part of. I created the military multifamily academy and mastermind. I co-created it with Adam Labar, the other multifamily coach and incredible Air Force veteran, now he's officially out as a vet. And so I kinda started just as the multifamily educator, and we created this amazing course, this Mastermind now, hundreds of members part of those masterminds, and it's just awesome to see. And now I'm the VP of education just over, we are an education company number one, and our Facebook group alone is gonna be at 100,000 members this year, and just podcast is just blown up.

We have all these amazing things, financial services, have a mortgage company, insurance brokerage to help serve our members. Just seeing that has been amazing, and it's just super humbling watching members come in with just an open mind, open heart, veteran or active duty, they go through our proven framework, and they're just crushing it now and they're building an empire. So that's kind of somewhat of the story, and then at that point, I was the fifth member to come on now, there are 25 to 30 different team members that are all help and

push this mission forward and just and continue to spread awareness about educating better and how to buy more of America that they fight so hard for.

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DR: Well, that's incredible, and what a great journey and what a great service you guys are all providing a ton of value there in the Facebook group and podcasts and Masterminds, an education platform, all that. And just being around like-minded people that are doing everybody in the group wants to do building wealth and generating cash flow and being able to pass that on for generations.

So I wanna talk a little bit about high-performance coaching, you are a certified high-performance coach. People, that aren't familiar with what that even means, maybe just give us a breakdown of what that is and what you do as a high-performance coach?

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TK: Yeah, absolutely, even when I was reading the books on stuff on deployment, it was not just all about money and building wealth, I was always just infatuated with personal development. I was not really even a great student, and I was never all about learning about science and math and even history and stuff like that. I enjoy reading things that I felt would benefit me or those around me, and it was personal development. I was just always attracted, just learning how to become better, become a better leader, communicator, just how to have your really more energy, more confidence, and all these different things that I've improved your emotional intelligence.

So I always just was enjoying reading books about personal development. And so, becoming a certified high-performance coach through Brennan Burchard, High Performance Academy, a big fan of Brennan, he kinda put that whole program together, I got a lot out of that and am now certified high performance coach, and what that actually means is when you look at all the highest performers across the board, regardless of their industry, they share something very specific, they share very similar habits, they share very similar routines and rituals, they're not any different, they're not programmed differently, they just spend their time different.

And so there are certain pillars that high performance is really alluded to, and anybody could learn these different things and strive to be a higher performer, it's all based on having number one, like the clarity of where you really wanna go, and high performance is achieved when you have such a clear vision of where you're going? where you're headed? And not exactly every step, how you're gonna get there, but the big, what do you really wanna do? Where do you wanna be? What kind of legacy do you wanna leave behind?

So having that clarity is absolutely crucial, and then having a higher, higher level of confidence, you have to understand there are certain ways that you could build confidence. And then the highest performers are the most confident people out there, not because they make the most money or the most successful, but because they've found ways to continue to grow their confidence every single day. The highest performers understand how to master their own psychology and master their own self-doubt and things like that. And anybody can learn how to do this.

The highest performers understand how to master their own physiology and their own levels of energy, because the amount of energy that you have is going to have a result in what you could produce and how you vibe and how you show up every single day, right. And there are so many other things that we can kinda dive into, your level of influence, how you're influencing the people around you, and if you are a thought leader in your platform or in your community, and there are certain ways to have more influence.

And so those are really the things that I love helping people do break through, and a lot of times people are just holding simply and just holding themselves back from achieving absolute greatness and from being a high performer in their own way, in their own profession, regardless of what they do. So we've kind of incorporated high-performance training, not only do I do one-on-one high-performance coaching outside of the ADPI community, but now we've incorporated High-Performance Mindset and high-performance habits into our curriculum. One, we're teaching and educating in multifamily commercial real estate investment.

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DR: That's incredible. And like a high-performance coach, you alluded to the fact that this is individualized, so you have individual people that you're coaching specific to their needs. That being said, there's probably one or two strategies, tactics that you help people deploy that have a significant impact on their success in reaching a higher level of performance. Is there anything that you could share with us that would be helpful to the listener, again, this is generally personalized to their specific needs and what they're dealing with at that point in time that being said, is there anything that you've noticed in your opportunity to coach a lot of different people, especially in the military community, that is a consistent theme about how anything that you've helped them to implement, any tactics or strategies that help them get to another level?

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TK: The first thing I thought of, everybody is trying to figure out how to be more productive, how to half-time, how to take advantage of more time, and how to just get more done? And that's again, higher performers have figured out how to master their productivity. I'm not gonna say that this strategy works for everybody, but for me personally, I've also seen a lot of people get a lot of results out of simply just mastering the art of time blocking and understanding how your calendar if you live and breathe on your actual, that's where you could see time go by every single day. And if you're disciplined enough to say, "Hey, this 10-minute block, I will only focus on this, the next 30-minute block, I will go to this meeting or the next 45-minute block, I'll do deep work and create this."

And so, time blocking is one thing we could talk about, and I personally love using it. It's completely changed my life the minute I realize how powerful that was. So if you haven't heard time blocking, or if you've tried it and you can't really get a grip on it, try it again. Figure out the nine to five, a lot of us are tied up, whether it's a W-2 or through some kind of office hours time block, and during that time is important. But a lot of times your time is already sort of assigned and you already know what you're doing there at that time, if you're not, make sure you're harnessing time block. What are you doing before the nine to five, and what are you doing after the nine to five?

Those times alone, right there are what are gonna make or break and separate the high performers from those who are just gonna live an ordinary life. And I have a feeling people listening to this do not wanna live in ordinary life, they wanna figure out how to separate themselves from that.

And another thing I like to throw out there, not really so much like a high-performance through the certification, but what I came across was the E to E ratio, that is the education to entertainment ratio. Especially during the 9 to 5 open door policy, the best way to be productive if you have white space on your calendar is two things, projects and people, who should I be calling? Connecting with, there's the people, and what projects do I need to be working on? And what are those three things that I need to be focusing on? That's like the productivity hack that I could share, but the E-to-E ratio before the 9 to 5 and after the 9 to 5, 80% of that time should be on growth, development, productivity at education, the education, and 20% of the time needs to be some kind of entertainment, whether you're just diffusing, Netflix and show with your spouse, hang it out with your kids, really taking advantage of that family time, that is entertainment to a lot of people.

So the 80-20 principle is like all your free time that you have at each day and each week, 80% of that targeted to education and 20% of that targeted to entertainment could be life-changing and absolutely transformational for you. Obviously, everybody wants a hack and master their productivity, and I'm telling you, it's all about what works for you and how you can stay disciplined and figure out how to make the best of every single hour, and it's dialing in, and a lot of times it's literally just shutting off notifications on your devices and turning them in an airplane mode or focus mode, now that they have that, and just not allowing that distraction, 'cause if you can't multitask, multitasking is an absolute myth. I don't wanna go too far off the feed path or mad and –

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DR: No, this is great, I appreciate that you've given us some high-level tips and tactics that people could implement and given our listeners a taste of what it might be like to have a

conversation with a high-performance coach and really dissect their day and how they're spending their time to really improve the productivity that they're able to push out on a daily and weekly and a monthly basis.

Tim, this has been a great conversation. I've enjoyed hearing about your story, your time in the military, and then how you started to think about investing and get involved in investing, and then ultimately making a hard choice to exit the military and pursue real estate full-time, how you got involved with ADPI and how you help to grow a really impressive community, and then ultimately your high-performance coaching.

Thank you for sharing your journey with us and some tips and tactics that will be helpful to our listeners if others are interested in learning about ADPI, high-performance coaching or multifamily investing, what's the best way for them to connect with you and learn more about all those?

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TK: Yeah, I mean, bottom line, if you're a past or present military, you're active duty, you're a vet, you're a military spouse, you're in a military family, definitely head over to activedutypassiveincome.com, that right there is like a landing page to help give you an idea of everything that's going on there. Join the Facebook group, it's a free Facebook group, we're highly engaged. It's just so valuable, we don't let anybody go in there who's a lender or an agent to try to solicit, so there's nothing but value. And like I said, that's why we're gonna hit about 100,000 people this year, we're on track to do that in our group.

And our best-selling book, Military House Hacking, right now, which we just updated the soft dates in 2020 for the VA loan and certain things we wanted to throw in there. So this book, Military House Hacking, right here, it's free on our website, you could download it for free right now today on our website, or you could go on Amazon, order for seven, eight bucks. So if that's what you're looking to do, definitely dive into that.

We have awesome education, a ton of free resources there, active duty, activeduty passiveincome.com, or really for anything else, you can go to the <https://thetimothykelly.com/>, which is my actual website that has all the things, all the shenanigans that I'm involved in. Instagram at the @thetimothykelly. LinkedIn @thetimotheykelly.

But if this is resonating with you, you wanna have a conversation, you just wanna level up, just shoot me a text. I'll give you my phone number to shoot me a text and we'll just hop on a call and we'll just get to know each other to see if there's anything we could do to work together, collaborate again, 847-910-9161. Shoot me a text, let me know you heard me on the show and we'll just hop on a call.

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DR: Tim, thank you very much for coming on, thanks for sharing your journey with us and sharing some tips and tactics with our listeners. If you wanna connect with Tim, go down to the show notes right now, click on one of those links, hit them up via text. Tim, again, an honor, I appreciate you coming on and look forward to connecting with you again soon.

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TK: Yeah, I appreciate it, David.

[END OF INTERVIEW]

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WS: Thank you for being a loyal listener to the Real Estate Syndication Show. Please subscribe and like the show. Share it with your friends so we can help them as well. Don't forget, to go to www.LifeBridgeCapital.com where you can sign up and start investing in real estate today, Have a blessed day!

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