

**EPISODE 1520****[INTRODUCTION]**

**Tom Burns (TB):** When you get seasoned, you realize that when bad things happen, some good is gonna come from it. That's made life a little easier for me to realize, "Okay, this is just one of those tests, it's a speed bump." Sometimes they're taller speed bumps, but I know something good is going to come from them. We adopted that philosophy, we tried to have fun, and we just didn't want to be trapped.

**Whitney Sewell (WS):** This is your daily real estate syndication show. I'm your host, Whitney Sewell. Our guest today is has so many years of experience just being in business, entrepreneur, real estate, but he's also a retired orthopedic surgeon and a physician for the United States ski team, his name is Tom Burns. I learned so much with him. And we did a segment or series of shows with him which you're gonna get the pleasure of hearing and learning from him. He has over 25 years of real estate experience. He has acquired and developed over \$500 million in real estate locally and internationally. He's a co-author and principal of Presario Ventures, a real estate private equity company focused on apartment development, and private equity in Texas, and the Sunbelt.

Tom and I went through a number of things in this first segment. If you've been listening to the show a long time, which I hope you have, if not, I'm so thankful you are with us. Now, I hope you have liked and subscribe, I'm going to be grateful for that. So please share the show.

But the first segment today, man, Tom, and I just jumped through being a physician and getting started in real estate. And this can apply to anyone, not just physicians, but any of us who have a crazy schedule, or maybe a crazy W2 schedule, you know, or even if it's another business and you're trying to get started in real estate, you're going to learn a lot from Tom today and how he did that. And he's going to jump through many things. But you're going to hear over the next couple of days different things that we're going to learn from Tom that I know no matter where you're at, in this business, whether you're passive or active, you're gonna learn a lot.

**[INTERVIEW]**

**WS:** Tom, welcome to the show honored to have you on I know there's so many listeners who can relate to your story. Or they're thinking about hopefully doing what you have done and making a prosperous career shift that can be a time where it's, you're kind of rocking on hot coals, it seems right or you're nervous, or maybe you're about to walk on hot coals, right? People are nervous about some of that or thinking about through that career shift that they're going through, or maybe they're looking forward to doing.

You have done that successful. You've helped many people now, you can have a mastermind and know people deals adventure. That's something that's important to you. But let's jump into who's Tom? And how did you get into real estate? But let's back up to what you did before. And maybe you still do.

**TB:** Yeah, you bet. And I'm really looking forward to our conversation Whitney. So yeah, my story is not that exciting. But, I started as a kid here in Austin, Texas, and I always tell everybody, I was an athlete. It makes you think I was great. I was pretty good at what I did. But there's levels of good, right? So I thought maybe that's how I was gonna make a living as kids have those kinds of dreams, and finally came to the realization that nobody's gonna pay me to do what I was doing.

So, I looked for something else to hang out with athletes. So, I was pretty good in school decided I'd be a doctor, an orthopedic surgeon and a sports guy, so I could hang out with athletes. So that was what I did. That's college med school residency, I had a nice long career as a doctor. But if you take that story back, I actually really enjoyed being a doctor. And the reason I enjoyed it is because in my training came to the realization that maybe working for a living and trading my time for money was not the best thing, saw the people that were training me.

You know, in our line of business, it's the apprenticeship model. So you're trained by people who are doing what you're supposed to do for the next 30 or 40 years. And so, I was being trained by these doctors. And about halfway through my training, I realized they were on their third or fourth marriage, and they were complaining about not having any control at work. And at 10, 11 o'clock at night. I don't know if I tell everybody was touched from an angel or blind luck, but finally realized I didn't want their money. If I had to have their life, I didn't want to be trapped like that when I was 40, 50, 60 years old.

So, I started looking for something else. That's what got me into I look for a lot of things stumbled into a lot of blind dead ends, but eventually sort of fell on real estate, which kind of worked in parallel with my medical career and kind of ended up here we are today. And so I'm pretty happy with my life and have enjoyed a good run. Since that time of training a long time ago.

**WS:** Wow, you did become a doctor, you are going through training, you are working with other doctors, the writing was going on the wall. It's like, "Okay, you don't want to become this person, you're being trained by ultimate, you don't want their lifestyle." And it sounds like maybe family was more important to you than having a successful practice if that's what it meant. You know, today.

**TB:** Absolutely. And you know, I mean, people always talk about the, quote, rich doctor, right? Which was, you know, I coined the first name and the first company was, is that you're not really rich, and you got to trade your time or see patients or do surgery, because if you get hit by a bus or you get sick, or you get Covid or something like that the music stops.

So, I always wanted to have fun. In fact, my wife and I had this mantra that whatever we did, whatever trials we went through, we were going to try to make sure we had fun doing it. And it didn't look like those guys were having fun. And so I had no grand plans, no huge net worth, goals or numbers. All I wanted was enough money coming in from somewhere else that I could choose what I wanted to do, and it worked out over time.

**WS:** I love that you and your wife decided together that whatever trials mean, whatever difficulties come our way, because they're going to come right, no matter who we are, they're gonna come. I think it's great. As you all looked forward into that knowing they're gonna come and said, ultimately, we're gonna, we're gonna make the best out of them, we're gonna have fun through them together, is that accurate?

**TB:** Yeah. You know, it's not always that fun when you're going through trials and errors, and learning your lessons through mistakes. But, I can tell you as I look back over 30 years, it's every time there was something bad that went on. And anytime there was a trial, trouble, you know, almost that why me thing which we never actually did the why me, but there's always a lesson that comes from it always. It either came immediately, or maybe 10 years later.

So, as you get older and a little more seasoned, that's a nice way for saying I'm getting older. But when you get seasoned, you realize that when bad things happen, some good is gonna come from it. That's made life a little easier for me to realize, "Okay, this is just one of those tests, it's a speed bump." Sometimes they're taller speed bumps, but I know something good is going to come from it. We adopted that philosophy, we tried to have fun, and we just didn't want to be trapped.

And, you know, it sounds strange to be trapped in a profession that's well respected and makes quite a bit of money. I mean, that's, that's a well paid profession. And I enjoyed the heck out of it for 30 years. In fact, I practice medicine for 12, over 12 years, when I didn't need the money. My real estate was making enough money. And I didn't have to be a doctor. But when you when you, when you have choice, when you've got some control over your time over your decisions, I was able to eliminate the annoying things about medicine. Every job has annoying things, right? Everything goes, life's not perfect. I was able to eliminate as many of the annoying things as possible that being a doctor was fun. So fun that I did it free the last four years of my practice.

**WS:** That's awesome. When you have choices over your time, you can eliminate the things that are annoying things that you don't want to do. That's why should be a goal for most of us, all of us. Right? Absolutely. So you're a doctor for 30 years. It's interesting that in your last 12 years, you could have done something else, but you still chose to be in there. But you know, it was in your training, that you realized that you didn't want that type of lifestyle as these other doctors that were training you.

And you started to learn about real estate, speak to that transition, or where it really wasn't a transition. How you were doing real estate? How you got into real estate while being a physician? And there's numerous physicians who are investors with us who would love to do what you have done. Right? And so, how did you get into real estate while working that busy schedule? Or did you go into a certain type of practice where you didn't have to work as many hours? What did that look like?

**TB:** Yeah, sure. When you really want to do something, you'll always find the time, right? So this was a long time ago, a little bit before the internet was really going strong. And there were no podcasts and things like that. Don't feel sorry for me, there was plenty of stuff there. But I've made the decision. Then I looked at things I looked at going into administration. So I tell

people, it sounds pretty cool to wear a suit and carry briefcase when you're wearing scrubs all the time. But that turned out to be a dead end turned out to be employment. And I found out I was pretty unemployable. I looked at other things.

You know, building a business, trading stocks. I didn't have the money or the expertise to do either one of those. I didn't have the time for either one either. So I kind of stumbled on the real estate, no previous training, by the way, absolutely zero business classes in high school, college and med school. Big surprise, that's what most most medical people go through. But kind of real estate is pretty easy to understand. Thank you degree, it's pretty straightforward, easy math.

So, I started learning about it. I grabbed books and read books about it. I did that through my training. So I didn't buy anything while I was training because I was poor as a churchmouse. Anyway, and working 80 hours a week. So I got out and then I did what's called a fellowship. You know, the story has a has a good point. So I have fellowships, an extra year of sports medicine training, I did it in Vail, Colorado with a really famous guy.

But like I was famous enough that everybody across the world came to see him, very wealthy people. And so, I decided to keep my mouth shut and my ears open. And I would spend long periods of time talking to these people and just kind of learning how they made their wealth, how they thought about wealth, how they thought about life. And that became a good classroom for me.

Again, no money to invest and I came back as a doctor. I made a reasonable salary, paid off relatively meager debts. I did not want to put my fam, I had a nice job, I didn't want to put my family at risk because of my attention deficit. So, I kind of got some bills paid off. And, by then I had gotten as much education as I could or at least learning education that I needed to go get some real education, meaning you need to jump in you get your best education when you when you act and when you're in the game.

So I just went bought something. Soon after I got out of training, I went and bought something. I bought it. A student condominium at the University of Texas and do nothing. I knew absolutely nothing. And the people involved in the deal just helped hold my hand and usher me through it.

**WS:** But you were in Vail, Colorado at the time. Is that right? And you're buying a deal in Texas?

**TB:** No, no, I was in Vail, Colorado finished my time moved back to Austin, Texas to start my doctor practice kind of use that that money. I use that I tried to live fairly frugally. You know, we did buy a house but not big house. And so we kept our bills down. And I used what I had kind of a small salary, actually at the time, and I use that to pay some bills off. When all that was left was the house mortgage, I started saving money to invest with and I just jumped in and bought something.

**WS:** So why real estate and not some other kind of investment, you know, or stock market or some kind of 401 K and the way we're typically guided right to invest for retirement?

**TB:** Oh, yeah. And I was, you know, I tried to be a good student wouldn't always want I try to be, you know, I try to listen and do what I'm told. So I was listening. I was listening to the conventional wisdom. I got a financial planner, and he had me buy what's called zero coupon bonds to finance. My kids college costs 18 years later, those are very good. But I was putting money into (inaudible), we didn't have a 401k, we had a Simplified Employee Pension Plan, a set plan for my practice.

So I was putting money in there. I was putting money in the stock market. I was putting money in these dumb bonds that never made any money. But, Florida real estate was do it all at the same time. And so I was doing all that right. What I liked about real estate was that it moves slow. I was working a lot, I was working a full schedule, taking a lot of call up late at nights. That's what young doctors do. And I didn't have time to do stock trading. I did try it for a while, you know, when Dell computers were was was when it was on its run, it was split like eight times. So you could buy Dell stock and sell it six months later make tons of money, I did a little bit of that. But that was just an idiot getting lucky.

But the real estate, it move slow. I didn't have to firsthand or last out whatever, I could do it part time or full time. And I surely needed part time. Because I was a busy Doc, I could use partners. I didn't have partners yet. But that was again a part of my strategy. So it moved slow enough for me, I was able to understand it and do it. And so I bought something. And that's where I started learning my lessons.

**WS:** Yeah, that's good for you for even taking action or moving forward, right making something happen and buying the first deal. What about as you're a physician, and you're getting into real estate, any setbacks that you encountered over those years, or especially early on that would help the listener right now who's looking to make the same transition, or at least by the first few deals, while they're also a physician or working similar type schedule?

**TB:** Yeah, for sure. I mean, you know, nothing that things don't always go right. I suggest all physicians have their properties, professionally managed. I still get people in my mastermind and say, "Hey, it's gonna cost me to get management, maybe I'll just do it myself." Just don't do it. Get management.

You know, you'll get better tenants, you'll get more rent, you'll have less troubles. But the reason I mentioned that is I did have managers from day one. So, that helped because I didn't get the phone calls. All I got was the checks. It's kind of a nice deal. I like that. I put a little money down, I get a check every month. That's one thing, but I guess clued me back in on the question again.

**WS:** Any setbacks that you encountered while trying to buy real estate whilst working that physician type schedule?

**TB:** Yeah. I've had tons. I've lost a lot of money and lost over seven figures just because those are lessons, right. Those are investments in my education. People come to doctors, people come to folks with money, you sell a business, and now you've got a big pile of money, and you're supposed to be a good investor. Those that need equity for their projects are going to

come to you. So you do fall prey to that somewhat. So I invested in some deals that looked good and weren't so good. So I lost money there.

In past performance, I'd invest in a deal that did well, you know, and one iteration and iteration number two didn't do so well. So just pretty much lost all that. It's oil and gas deals with one person I knew really well. It tanks not because he was bad. It just that's that happens, you know, and then somebody else who wants a good five run into my share of con men, criminals and Ponzi schemers? Absolutely. One of them's in jail. Some of them have ended their own lives. And so those people are out there.

So, you just learned. You become a little more discerning. And even when I thought I had learned how to judge people how to judge a deal. You're always still learning and that translates to I still lost some more money so I lose a lot less money right now. And so those lessons that come back to you it helped me and helped me make more money. But yeah, lost ton of money.

Sometimes those deals they end up in yet you have to, you have to go the legal route. And nobody wins. We've won legal battles big, very big to where the judge said, this is stupid, you guys shouldn't have ever done the you know, really on our side, but you still lose. You get your money back, you lose all the time. Yeah, all the mental effort to do those sorts of things.

So, you never really want to get into legal battles and lawsuits, they're not fun, they sometimes become necessary. So I bought an apartment complex, which you would think is awesome. I was buying single-family condominiums, I bought an apartment complex way back in the early 2000s. Unfortunately, I didn't know anything about multifamily properties. So bought it wrong, did all the wrong things got the wrong management, et cetera, et cetera, and was able to at least offload it not lose too much money. So that's a long list, we could do a whole episode on the mistakes I've made.

**WS:** Yeah, no, and we've all made them for sure. No doubt about it. It's just interesting hearing, you're able to buy these properties and even buy multifamily project, you know, while still being a physician and operating a successful business as a doctor. And so that's a schedule that most don't want, you know, even as you talked about, you know, early on.

Even on the personal side of this, how were you able to be at home? Or how were you able to you talked about the doctors that were training you had been through numerous marriages and working so many hours. How did you manage that? So you're making these things happen, you know, as a doctor, but also in real estate, but still keeping the main thing the main thing I guess you could say, you know, at home.

**TB:** Yeah. And you know, to start, when you start out any job, any profession, you're working hard, right, you're learning your work and you don't know your craft that well, you're not smooth in your craft. So, I was working a lot to my real estate time was evenings before work and weekends, big surprise, right. But you can do that to start out with for the kids. They were one was not born when I started and one was about two and a half.

So probably that first year, I did more work than I would have liked to, sometimes I wouldn't get home late and then quickly change that to where I finished early in the day, just sequentially. As the passive income started increasing, I started eliminating some time that I was working. First thing I did was eliminate Friday afternoons, which was I felt like I was Elon Musk, you know, I had two and a half day weekend I was free, right? It was a big deal back then. I got to where I would finish early. And so because I wanted to be at the bus when the kids got home at 330. And I started doing that very early. So you know zero and almost three years old.

By the time they were five and six, I had adjusted my schedule, any cost me a little money. But the benefits were already pretty evident. They loved it. I met him at the bus. And I jumped on the trampoline with them when they brought their kids home. kind of silly for an orthopedic surgeon to have a trampoline. You think I've tried to create business. Nobody hurt themselves until they were seniors in high school.

I just so much enjoyed my family and my kids early on, I sacrificed the morning. So I didn't put them off to school. Because that was part of the efficiency plan that I used as a doctor. I was an efficiency freak, because I wanted to get the work done, so that I'd have time either for the kids or to do some real estate stuff. So I started a little bit earlier than other doctors and made sure we got things done in a timely manner not rushing through patients. I never did that. But surgery can be done very, very efficiently if you get the whole team working on the same page. So that's what I did.

I worked on my efficiency which bought me time. Surprise, we're always talking about time and I use that time to buy me passive income, which bought me more time, which gave me more time with my kids in my family.

**WS:** Yeah, I love how your time with your kids are being there when they got off the bus was more important than making a little more money. You know, you talked about sacrificing a little bit of money, but I think you've gained so much more. And you've been a greater sacrifice to have made that money. You know, in a big way.

**TB:** It was a huge deal. Whitney the best the best gift I've ever been given if I can tell this short little story years later, when my daughter was in her late 20s We were at a wedding and one of her friends. And I'm standing in a circle of girls all these 29 year old girls or friend cohort, right? When I'm looks up at me at some points he goes, "Dr. B," that's what they called me. "Dr. B. You were always the fun dad." That was my best gift I've ever received in my entire life. So, you know, it might have might have taken 30 years but boy, that was a big gift and I'll take that into the grave.

**WS:** Yeah, ou didn't sacrifice that money. I mean, you spent that time very wisely. Obviously, with your kids like talking about jumping on the trampoline. That's incredible. Well, I just appreciate your focus on that because we have it or not. I talked about it quite a bit on the show, and you know, just not sacrificing your family to be successful in real estate or any other kind of business. And I've had a number of guests, you know, where we've talked about that, and me personally.

But, I know you read a book like why doctors don't get rich. Speak to that a little bit. And maybe there's some concepts or the mindset behind that, you know, speak to the doctor, or you know, that person, that can relate to that listening right now. Before we move into, you know, the next couple of topics that are going to be much more focused into your business and multifamily and those things. But, speak to that book and the concepts behind that.

**TB:** You bet. And my friend, Robert Kiyosaki came up with the title, I love it. He's a good title creator. But it's not a knock on physicians, that's basically that title is a metaphor for the fact that no matter how much you get paid, per hour, or per event, or per task, if you lose the ability to perform that task, music stops, and you don't have any more income coming in. So that's not true wealth, that's not being truly rich.

You know, to be truly rich and wealthy is to have assets that provide income. So you want the kind of income that keeps coming in, whether you're vacationing playing with your kids, working, sleeping, or just knocking off. So that's the premise of the book. And so I wrote it. And quite honestly, it was his idea to write the book.

First, I said, "No, you know, nobody wants to book for me." And he said, I just write a book. So I said, "Okay, if you can do it, I can do it." So I wrote the book with no business plan in mind, it was truly written to provide open guidance to those that wanted to create a better life for themselves. So I spent a long time right that I spent two and a half years writing that book, I wrote every word, very poor leverage on my part, you know, I didn't use a ghostwriter.

But it's all me. And it all came from the heart. And I interviewed a lot of doctors, professionals, business owners, people like that, and kind of got their got their feel. And, and so that's why I wrote it. And I hope it's, it seems to have expanded across the world pretty well as I've done no marketing, because I'm the world's worst marketer, but it's designed to help people and hopefully it's doing that.

**WS:** Yeah, that's awesome. It sounds like that's what you learned when you were working with those doctors early on or in training, right? It started to hit you. Like you were talking about if you lose the ability to perform those tasks, and the income stops and all of a sudden, it's not true. Well, like you said, Robert Kiyosaki is big about what he said, measure your wealth by how long you can not work, right? How long can the business can operate without you.

**TB:** 100%. And how long can you survive without working?

**WS:** Yeah, that's true. Well, it's been a pleasure to get started with you and get to know you. And just for the listener knows, we're going to do a couple more days with Tom and dive into multifamily specifically and his business, how he has grown, and just numerous topics around that. Even HUD loans and how he is using those as well.

Tom, thank you so much again, and tell the listeners how they can get in touch with you and learn more about you.

**TB:** You bet. If you just go to rich dot life, you can get to the website. It's got a lot of good information there. And in fact, there's a free gift if you're interested. If you go to rich dot life



forward slash toolkit, I've got some things there that helped me over the last 30 years, kind of develop my real estate portfolio and hopefully it's helpful. It's free. It's for anybody that wants to use it.

[END OF INTERVIEW]

[OUTRO]

**Whitney Sewell:** Thank you for being with us again today, I hope that you have learned a lot from the show. Don't forget to like and subscribe. I hope you're telling your friends about The Real Estate Syndication Show and how they can also build wealth in real estate. You can also go to [LifeBridgeCapital.com](https://LifeBridgeCapital.com) and start investing today.

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