SOUND
Financial Bites
with Paul Adams

Sound Financial Bites 097 - Why We Should Talk, Part 4 I Hit the White Coat Window

Episode Transcription

> *"Physicians are largely known among the professional community as the people that are worst with your money."*

Cory Shepherd: Hello, and welcome to Sound Financial Bites. This is your host, Cory Shepherd, President of Sound Financial Group. I think that didn't earn me an interjection. I just stole the host thing from Paul for today's episode. I'm just remarked at all. That was wonderful.

Paul Adams: I'm just waiting until you do something wrong, then I was going to say something.

Cory: So, this is the next episode in our Why We Should Talk series, WWST, going through a series of questions, or thoughts, or life situations that people might be in that would say, "Hey, you really ought to talk to us to make the most of that situation. So, today we're going to talk about, "Are you in the white coat window?" Paul, since you coined the term, would you like to explain what the white coat window is for our listeners?

Paul: The white coat window is the period of time in any person's career, but I think the ones people most understand are medical professionals. You go through a point in your career where you're making more money than you've ever made before, and there's a critical window of six months to one year, and it's no longer than one year, where the decisions that you make during that one limited horizon of time are going to set the tone for where you're at financially for the rest of your career.

Now, people most relate to this when it comes to physicians. Now, if you're a physician listening or you're any other high-income earning occupation. The other place, by the way, this happens, I think, most, Cory, is our business owner clients. They struggle along for a few years, then suddenly, they're able to pull $700,000 a year in their business and the world changes. So, for you, if you're listening and you're a physician, I've got some bad news for you about your reputation among the professional community. You want to tell them, Cory, or you want me to?

Cory: You go because I'm going to talk about my personal side of the point. So, I want you to give all the full context.

Paul: The physicians are largely known among the professional community as the people that are worst with your money. Now, nearly every physician that we work with that's over the age of 50 has become familiar enough with that and has seen enough of their own, let's just call it, errors or mistakes with money to go, "Yep, I qualify for that," and that's not meant to be a negative thing. Where it really comes from is not that physicians aren't good at what they do.

Physicians are just a unique microcosm of high-income earning community that knows a ton about their field, and does not always know a great deal about finances. So, they know how to earn a great deal of income, but may not know how to transition that to personal wealth, work-optional lifestyle, or protect what they've built, which is equal for somebody that owns some successful business. The reason they're making $700, $800 thousand a year in that business is simply because they got very, very good at that business, and it's very difficult to be in one place where you dominate all day long to then step back and go, "Okay, I need help in this other area that everybody looking at me thinks I've got handled."

So, whether you're a physician listening to day, an up-and-coming physician, or you're somebody that's about to make more money than you've ever made before, or you, in the last couple years, started making more money than you've ever made before, you're going to hear some truths in what Cory and I talk today, and if you have already felt like you've closed your white coat window where you had this huge jump in income and maybe you didn't take advantage of it like you should have that first 6 to 12 months to set the tone, you can, with hard work, professional help and coaching, we can reset that window to put you in a position where you can move the needle on your finances for the rest of your career.

Cory: You know, I will say that, as the body of physician population goes, there's a new generation that's changing that tone: the millennial physicians, because yes, baby boomers, millennials are now going to be your doctor. It's time. The ones that I've worked with, and maybe it's because I have them as friends first, they're able to see through all that and say, "Hey, I know enough about what I know because I spend a whole lot of time. You help me with what you know." It's changing that conversation.

"Most doctors will leave school with three, four, five hundred thousand dollars of debt."

The reason why I know that and I've had that experience is that my wife is currently in her fourth year at the University of Washington School of Medicine. Like, I would have loved to have her in this conversation with us today, but she's starting a new rotation in neurology, so she had to go to orientation today. So, she's busy. So, we're about to live through that ourselves.

Now, next year, when she becomes a resident, she won't be making huge amounts of money, but she's going from negative five figures a year to positive, so that's a win, right? That's a big jump.

Paul: More than that, you've also personally gone through some of what your story is in Cape Not Required about what you were able to do in terms of you, personally, while your wife's in med school, working with us, you've been able to get your personal income up in the top 5% measured against all households on U.S. census data. So, you're going to actually go through it twice.

Cory: Yeah, we've gone through it already. Let me tell you that financial advisors that go through that are also among some of the worst.

Paul: They never get help.

Cory: They never get help, and part of it is that we talked about financial controls --

Paul: I was going to say they're so hard to help. No kidding, if a financial advisor wants to be a client of our firm, they pay up front four times what we charge a client of the same complexity because they're that difficult to help. By the way, I don't know that -- Cory and I certainly try to be open and coachable, and think through all of our decisions, all that, but our experience is that they're very, very difficult to help because they're so sure about the domain that they're in, regardless of whether or not their results show that.

""Afford" is a strategy of the people marketing things to you."

Cory: We're about to live through it ourselves. I've lived through it, Danielle lived through it once. Soon, and in a few more years, her full-time doctor income will come into play, so this is a journey that we're very much on, and it's very important to us.

Paul: For those people that aren't familiar with the medical field, what's the -- so, you're paying five figures a year for your school, so you're running negative.

Cory: Yeah, running negative. Most doctors will leave school with 3, 4, 5 hundred thousand dollars of debt.

Paul: Let's pause right there for a moment. So, they start school, and how long -- so, they start freshman high school. How long until they actually have a paycheck, usually?

Cory: So, from freshman and high school.

Paul: No, from freshman in college.

Cory: Oh sorry, I mean in college. So, they've got their four-year college degree, they've got four years of medical school.

Paul: They haven't made any money yet.

Cory: Right, so it's eight years.

Paul: Eight years before they've made any money, then they get their first check.

Cory: Which is a five figure a year salary in most cases.

Paul: Five figure, so they're making 60-something maybe.

Cory: Right.

Paul: So, they get their first paycheck after eight years. Everybody else they work with has been earning for at least four years and maybe longer.

Cory: Because, if you're pre-med, you may not have enough time to work in college and undergrad. You may be working so hard at school that you can't have a part-time job.

Paul: Watching what Danielle's gone through studying, which was a big jump. She was originally going to be a nurse practitioner or --

Cory: Physicians at FBA.

Paul: Then she stepped it up and she had to change everything about her study habits, everything to make that jump.

Cory: She was already at high --

Paul: She was just wired?

Cory: She was just wired for that, yeah.

Paul: So, she's going to make five figures for how long?

Cory: For three years in her case.

Paul: Because she's specialty.

Cory: Which is for her pediatrics specialty. Although, some residencies are longer if you're in surgical residencies or you could be five, six, seven, eight, and then there's fellowships, which is I look at it in a way of saying, "Hey, I get to have a low income for longer." No, it's you get paid slightly more than a resident, you get increases each year, but you're really not at your full earning potential, and you're in a higher-end learning environment. You're going deeper into some sub-specialty.

"The more consumption you have the higher amount of capital at work that's required to sustain the lifestyle that you're originally after."

Paul: So, they're not earning their actual career income for 10 to 12 years, and then somebody comes off that specialty, whatever it is, they're not a general physician, what are they making a year more than likely? In today's dollars. Not trying to estimate your wife's but --

Cory: Right, so in general, on the low end, just depending on the specialty, you could be somewhere between, let's just say it's 200 to a million, $200,000 to a million dollars a year depending on the practice that you're in, the specialty, the market that you're in, and it could be higher or lower than both of those. You're not in it to make money as a doctor anymore with all the changes in healthcare. Or, the way I should say it is if someone's in it just to make money as a doctor, they're in for a surprise.

Paul: They better also like being a doctor.

Cory: Right. You can make a very good income, but for instance, a doctor that's making 200, 250 in Seattle does not look like the doctor that their parents remembered.

Paul: Yes, the golden age of medicine, as my friends used to call it, my wife and I have always gravitated, for the most part, to older couples as friends, and we had one physician in that group of friends who, now, he's about 30 years my senior, great guy, but what he always talked about is the golden age of medicine where a doctor back in the '90s was making a million dollars a year like no problem, which gave them a lot of slack and leeway where they could make a lot of, maybe, unfortuitous financial decisions because it was enough to bail them out and still be this huge, high income earning pillar of the community.

Not uncommon, though, Cory, what I've seen with clients, somebody's making $65,000 a year, and then in the next paycheck, they're making $40,000 a month. So, they go from making less than 100 to making 480 a year.

Cory: Now, I've never gone bungee jumping, but I imagine our brain goes through the same thing our inner ear goes through during that event.

Paul: Yeah, and I know you've got some real particular target of things that you were going to share here, but the ones that scarred me, I'll give one in particular story. A client that I knew was going through the last of their fellowship and it was a particular surgical specialty. So, he came out of school making 550 a year over 10 years ago. 2007 is when he came out, landed in the market he was going to work in, and it happened to be in one of those parts of the country that had highly-inflated real estate values, and both me and the other advisor that had brought me in for my specialty had both sat down with this guy all through his residency, "Do not live in the lifestyle you can live in. You've had a pretty decent life, you've managed to pay your whole household stuff on $60,000 a year. The only thing you need to worry about now is picking up your medical loans and that's it," and what they ended up doing was literally they bought the $950,000 home, highly-leveraged, of course, didn't have a lot of down payment money. They're always going to lend money to physicians. Because, by the way, you ever seen a doctor get fired?

Cory: I mean, not for normal things.

Paul: Yeah, it's not like an executive at Verizon that's like, "Oh yeah, job performance, your team function, we're laying off."

Cory: Not for things that are out of their control. I've seen doctors get fired for things they chose to do that were highly inappropriate.

Paul: And even that gets national news because it's so rare. So, they've got pretty much guaranteed income, so everybody's willing to lend them money, which by the way, everybody's lending you money as a lien against your future income. They're never lending you money against the house or the car. That's the collateral in case the thing that they're primarily lending against doesn't work out, which is always your future earnings, always. No matter how high your credit score is, try to get out a loan on a home without disclosing your personal income. You can put down 50% and they're not going to give it to you because they want to lien your future income sources. They are not making asset-based loans. Okay, that was a small departure.

They bought the house, the two slamming cars, etcetera, and then the real estate debacle happened. The guy said, "Oh, I got to cancel all this stuff I'm doing with you guys, the retirement plan, life insurance, everything's got to go." It's like clear the deck. So, we got together on a phone call with him, and this was like early 2009, and I said, "Doctor, I might end my relationship with you with what I'm going to say next, but what I think you should do is look at where you're responsible for what you're doing right now." He said, "What do you mean? I'm not responsible for the financial crisis." I said, "You're responsible for yours, your financial crisis you're responsible for. Let me explain. Let's say you had just bought a half-a-million dollar home. The

"What I would encourage most of you to do is look at your total cost of housing right now. If it's higher than 15% of your gross income you need to be very,

very worried."

mortgage would have been inconsequential to you. You could have easily paid off two cars. You could have not taken those vacations and joined that country club. All those things that you did almost immediately after making this big jump in income," and by the way, what we're flagged to is he felt pretty good because he was saving $30,000 a year on a $500,000'ish income.

But, $30,000 was half of his income prior, so he was flagged to the amount of savings, not to the percentage. He wasn't grounded in real financial philosophy. He just felt like a lot of money, and as a result, and by the way, probably going through med school and everything else, making promises to their spouse saying, "Oh man, this is all going to work out. I'm going to get you a nice house. I know it's kind of a pain right now, but we're going to --" I said, "You could be like the person that's sitting safely in the eye of the storm while everybody else is getting ripped apart by the winds. That could be you, and yet your decisions put you in the spot that you're panicking like everybody else is, and it was optional for you, because in the midst of all this, you could be saving 150 grand a year, you could be still making 550, and you would have a lifestyle much greater than all of the peers around you still, but you chose and you put yourself in this financial condition.

A podcast for another day, watch for it coming up, is that there will be financial tragedy for all of us. It's going to be when your income stops, are you prepared for it or not? But, in his case, his income didn't even stop. Every bit of panic he had was 100% self-induced because he forfeited his white coat window.

Now, what's that like? At any point, Cory, just getting to know people, how hard is it for that physician now being practiced 10 years. By the way, everybody around them thinks they've got it together because they've got the boat, the big slamming house, the awesome cars, Porsche Cayenne, Tesla with the doors that makes it look like it kicked a field goal.

Cory: Those are pretty cool.

Paul: They look pretty coo, yeah. So, how hard is it for them, now, 10 years later, to pull it back?

Cory: So hard, just like anybody, with lifestyle creep, these little things change and we get used to it.

Paul: We talk about lifestyle addiction.

Cory: I've had conversations with doctors where I've said, "Okay, you want to do this thing, throwing lots of money in one direction, no matter what it is: a house, a car, a big investment, it could be a big real estate investment. You want to throw tons of money here. If you do that, remember that you may be putting yourself in a position to feel the same kind of cash crunch that you did as a first-year resident. Would you be excited to be back in that? Because, right now, you've got cash in all these places, you've got flexibility, that feels really good. You have this feeling that most people don't have, which is someone could tell you you have too much cash," which I think is never actually a reality.

Paul: Which, by the way, the whole, "You have too much cash," is invented by the people that market you stuff to buy, whether it's financial products, or it's you should pay off your car, whatever it is.

Cory: I mean, they talk about Wall Street versus Main Street a lot, but we forget Madison Avenue. Madison Avenue, or the advertising agencies big in our country, that's a much bigger battle that happens every single day.

Paul: And it doesn't even feel like a battle because we're just in it. It's like a fish in water.

Cory: Yeah, so a car and a home are two really huge ones. This is fun because I just got a new car. Let's talk about this, let's get real. So, doctor gets out of school, $40,000 a month for the first time ever, and they're like, "Okay, what kind of car should I get?"

Paul: "I have been sacrificing all these years." Now, by the way, quick gut check, if you are that doctor, or you're that entrepreneur whose income just jumped, I really want to encourage you, and this is not a political popular thing to say, like it's not politically correct, but you need to -- can I say, "You need to check your white coat privilege?" I think I'm going to say it. We're going to leave this in.

But, here's what I mean. You're actually still far, far behind. Like, all your friends that got business degrees, they've been at work for eight-plus years, and not running up half-a-million dollars of student loan debt. We've done the math, for somebody that followed a regular, say, business trajectory and path versus the doctor that now comes out making 450, that doctor did not break even on the decision to go to medical school, counting all the years they were not earning plus -- this is when Cory said it, you're not doing it for money, even if you think you are, when you count that, now, half-a-million of debt, they don't break even on the decision of having gone to med school for another 10 years. Meaning, it's a 20-year path until it breaks even with the guy that's the okay business student now working his way through corporate America.

Cory: We've seen doctors and dentists that have never broken even on that decision because of the lifestyle choice they made.

Paul: Because of the lifestyle, yes, and same with the business owner. The business owner that sacrificed for years and everybody's out-earning him. I mean, I remember early on in my entrepreneurial journey, I literally, at one point, was like, "Maybe, I should be a flagger at a construction site. Those guys make $25 an hour, and all I got to do is make sure I don't get hit by a car, which doesn't seem that hard. I've got an orange vest on. I'll be fine. I got to stand in the hot sun." That was it.

Cory: Listen to my Walkman all day.

Paul: Yeah, totally, back when there was a Walkman with the big -- remember the foam things over your ears? That literally had gone through my mind because those people, as I saw them holding flags, they were out-earning me early on in my career. But, that means that I went years without having the income that they had. But then, when I got to the other side of it, I needed to adjust, and we'll talk more about this, I'm sure, on a future podcast, but we went through this radical life simplification choosing to live radically within our means. We reset our window a couple years ago. As a household, we decided, "We are not going to live that way," and we now fly total counterculture to what people said we should do, being successful financial folks.

Cory: We are six months away from Danielle getting a paycheck for the first time in several years.

Paul: Woo-hoo.

Cory: Yeah, woo-hoo. So, no matter how much money I'm making, which thank goodness that we're not a no-income household. I mean, that's a very gift for both of us to be able to go through this journey together in that way, 50, 60, 70 thousand dollars that wasn't there before, now coming in, that's still notable.

Paul: Notable especially because you guys will actually be able to set it aside, because you won't need it for income.

Cory: Correct, because we haven't been living on it. So, $60,000 a year that's there tomorrow that wasn't there today, you have to have a very high -- even someone making multiple, multiple millions of dollars a year is financially astute enough to know what the value of that is. It's not an inconsequential decision. So, I just got a new car. Now, there's a whole other podcast on getting cars or how to get cars and what to do about that. But, know that I've spent a couple percent a year of my household income on a car at very low.

Paul: Cars.

Cory: Cars, right, and I don't drive one that has any kind of picture on the front that would make people exceptionally excited or think that I'm a wonderful person, and I'm keeping this a little bit vague not because I don't want to share, but because comparison is the thief of all joy, like I like to say.

Paul: I love that.

Cory: So, I'd rather keep it vague enough that you can just think about your numbers in your head and your situation without having to compare it to mine.

Paul: Although, there was a friend of yours that got a similar SUV that equipped similar, similar size, everything, and all the same features, and what was the purchase price difference between the two?

Cory: Double. He spent twice the amount of money that I did for -- now, my car doesn't have the same emblems, and maybe the leather's not quite as nice, and maybe the screen is not quite as fancy. I'll give him that. There's definitely a little bit more curb appeal, although for everything that I wanted, and this comes back to when we talked about how much is enough for retirement, get clear on what you want first.

Paul: Yes, before you go look, before Madison Avenue gets ahold of you, before the salesman gets ahold of you, pause long enough and say, "What is my strategy? What's sufficiency for me in a car?" Now, for some of us, like me, I'm like I would like it to be a hybrid because I like the idea of getting high gas mileage and that's four doors. Four doors, four wheels, I am almost Spartan in that regard where I don't trust the technology they put in the cars anyway because my latest iPhone update is superior to any technology they designed to put in that car two years ago. But, for you, you might be like, "No, I want the in-dash navigation, I want Bluetooth."

Cory: You know what I love? When I sit in the driver's seat floating out above the nose of the car is the speedometer like it's a heads-up display. That was one of the cool -- I love technology like that. My wife knows that I'm like that, and here's the reality is that I was probably going to do something like that anyway. It's not the cheapest way that I can own a car, but it is inside of my structure of our finances and what's going to work well for the future, and I do thank the lord for Paul Adams being in my life every single day because I am spending far less on the frivolous car purchase than I would have otherwise. Like, the last car I got, I sheepishly sat down with him over a beer and said, "This is what I'm thinking of doing. Do you think there's a problem?" because I didn't want to be outside of the realm of what we thought was acceptable for our culture of clients.

Paul: I was going to say, and even, we had built this culture where if somebody rolled up with a brand new car that they bought because they could afford the payments. Afford, by the way, is the beginning. If you're thinking, "Can I afford something?" it's the beginning of you're off in your strategy somewhere, because "afford" is the strategy of the people marketing things for you, but that you would actually be made fun of for buying a car that you could afford and not having a philosophy behind why you did it. I remember there was a guy we hired who had an Audi A8. We were all like, "What a joke that you would have an Audi A8," because it was literally all show, no go. All hat, no cattle, and that's something that we have to watch for because nobody else in society cares if you're financially successful.

Cory: I'm very proud of myself. A car that's three years newer than I had before with a lot more features, with a couple freebies thrown in, and I'm paying less per month now. That's actually a great rule of thumb. "Can I get a new car?" If you can get a new car and pay less than you are now, go for it.

Paul: Yeah, yeah. Well, like for me, we have a new car purchase that I'm actually going to talk to Cory about after we're done recording today as a part of just one of my goals for the company this year is to be able to take out a certain amount of excess money because I want to be able to buy a jeep as my daily driver that would also be the tow-behind vehicle.

But, because it's a conversation I've been in for about two years and seeking advice and asking people, you know what I found out is the best to tow? It's a late '90s jeep. It's significantly lighter, but as you might guess, way less expensive, and I can get a late '90s jeep for a fraction of what would have been my default to first purchase. I went back through what is it I'm after, what's important, da-da-da, and one of my big restrictions on it was it needs to be quiet enough that I can talk while I'm driving. But, now the Bluetooth technology is so good at noise-canceling, I don't even have to solve that. It could be noisy, it could be shaking apart as I go down the road. As long as it doesn't actually shake to pieces, it's a vehicle that will work for me.

So, as a part of our revenue goals for the year this year, is it going to be me extracting enough money to pay for my jeep, cash? Which, by the way, most of the things you're going to get a really, really great deal on, you may want to be a couple years older and be able to write a check for it. But, another podcast for another day.

Cory: So, that's a car. That's some thoughts on how to make that car decision.

Paul: And people buy two of them.

Cory: Often buy two.

Paul: Then, we have toys, vacations, and homes. That all fall into that consumption that throws people out of their white coat window.

Cory: Which, we are making the splurge, and I'm taking Danielle to Italy as a celebration for finishing med school. Although, we've been collecting miles for a good amount of time, so our round trip tickets for two to Europe costs us all of $360.

Paul: Nice. Well, and the thing to consider, whether it's the country club or whatever those things are, you have to put yourself in the position that, "If I'm going to consume X, one, what's the real cost, second, being clear on can I unwind this later?" Like, having a big splurge trip to celebrate a thing like that like Danielle's finishing med school, big deal. That one only happens one time. When it becomes regular that, quarterly, we head to France, that starts to become the kind of thing that if you stopped doing it, what do people say? "Everything okay?"

So, that's one of the things that's beautiful about if you properly monopolized whether you're an entrepreneur, an executive that started making a lot more money recently, maybe a spouse wasn't working, now they're going back to work, so there's an extra big chunk of money. Being clear about what your window is, and then being able to set aside a great deal of money as a result of that window so that you don't get caught in the consumption cycle in additional lifestyle addiction that later has to be unwound. Because, we talked about on past podcasts, the more consumption you have, the higher amount of capital at work that's required to sustain the lifestyle that you're originally after.

So, you can't simply just say, "I'm going to consume $400,000 a year. I'm only saving $40,000 of my $400,000," because that means the money has to be able to work $360,000 hard. How much easier it is if what you did is you had $200,00 a year. So, anybody wants to go deeper on that, you can go to our YouTube channel, find cash flow trumps rate of return. It has nothing to do with President Trump. Cash flow trumps rate of return. I really thought that one would get a lot more views post-Trump just thinking people would trip over it. No such luck. Any parting thoughts.

Cory: Home, I would just say is the same -- I mean, how long would I want to go in this, because we could talk to these for years.

Paul: Well, speaking of that, I think one thing that people forget that's easy to trap positions is the home loan programs, they allow them to buy into, they don't even have a check yet. All they have is a contract.

Cory: They'll get a mortgage, yeah.

Paul: They'll get a mortgage for like five or no percent down, and literally up to 45% of gross income. It is amazing how people are perfectly willing to trap us in a lifestyle and do so for very, very long horizons of time in a way that may not be escapable.

Cory: The thing I most wanted to say for that for the sake of time because all the decision-making process is very similar to the car, like how you're going to balance that in your life. So, just copy paste that here too. But, the American dream of home ownership, it feels like this thing if you're not participating in this cycle that you're not really an adult. A lot of people think of buying a home is their first adult thing to do, and I was that. I bought a condo right out of college. I have made that switch immediately. I have never been in the open rental market of Seattle until we sold our house at the end of 2016 as a part of simplifying life on this road show I went on with Danielle for all of her internships.

Paul: Quick pause, but you talk about being financially responsible, living within your means, not being attached to the lifestyle addiction, being willing to sell his home meant that during the period of time when many people are separated from their spouse, Cory not only wasn't separated from his spouse, but he was able to travel with her and support her through that. So, it was like an investment in your marriage, which is very different than what most people do in that phase, and what do you call them? Med school widows?

Cory: Yeah.

Paul: It's a thing.

Cory: It's a thing.

Paul: So, you guys have gone out of your way because of financial decisions that allow you to invest deeper in your relationship and strengthen it during a time when it gets weaker for many people.

Cory: Yeah, and because you're moving so often during that period and they arrange housing for you, I did end up living in some places that someone could say, "I don't need to live in this." But, you know what, it made us appreciate more what we had and what our real priorities were, which is being together. So, now we have that choice. I've been a homeowner. I'm a home-renter for the time being now, and I'll tell you, the cognitive load of not having to worry about all that is quite amazing. We're going to wait and see where we land with Danielle's journey before we make a choice about buying another piece of real estate, but it's not a sure thing that I'm just going to buy a house the moment that I know where I'm going to be living.

Paul: Think about that that not collapsing -- there's another example of the financial current people get swept up in is that what I'm going to do is, just because I'm making enough income, I'm going to buy a house when buying a house may or may not be the best possible financial decision you should be in. In fact, what I would encourage most of you to do is to look at your total cost of housing right now. If it's higher than 15% of your gross income, you need to be very, very worried, and you may need to make some lifestyle changes.

I was at a conference where somebody was speaking, a financial guy who I like a lot was speaking and somebody said, "Well, I can't keep it below 15% if you try to buy a home in Southern California here," and he said, "Who says you get to buy? You might just have to rent. Maybe you don't make enough money to buy in this market," and you could hear the collective gasp in the room. Half of the gasp was, "How offensive you should say I shouldn't buy a home," and the other half was the release, "Yeah, I don't have to buy a home." The people are burdened with buying a home, and many people, for many people in many of the markets you might live in, it may not be the best decision to buy the home that you're going to live in. You might be much better off buying rental property, or renting a home and buying a rental property than the other way around.

Cory: That's a great segue into if people want to find out more about us, we have a new white paper called "Money, Where Humanity and Hard Numbers Meet", and one of the things we talk about is how your home, if you're thinking of your home as an investment, how that actually interacts with the rest of your investment portfolio as far as people don't think about. So, if you want to learn more about us similar basic philosophies, Humanity.sfgwa.com, and you can download that white paper, and that will continue that conversation on home ownership. Then, if anything you've heard on here is spurned on the desire to have a further conversation one on one, send an email to info@sfgwa.com and write the word "philosophy" in the subject line. That will get you connected to us.

Paul: What our hope is that this conversation today of Why Should We Talk --

Cory: Why We Should Talk.

Paul: Why We Should Talk.

Cory: WWST.

Paul: WWST, Why We Should Talk on the white coat window is a contribution to you being able to do a better job of designing and building a good life. Hope you have a great rest of your week.

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