

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1



Full Episode Transcript

With Your Host

Dr. David Phelps

[Dentist Freedom Blueprint](#) with Dr. David Phelps

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1

You are listening to The Freedom Blueprint Podcast with your host, Dr. David Phelps. You'll get straightforward advice to transform your practice into a self-sufficient cash machine, compound your net worth, and multiply your cash flow stream with hassle-free real estate. More at freedomfounders.com.

David Phelps: Good day everyone, this is Dr. David Phelps of Freedom Founders Mastermind Committee and the Dentist Freedom Blueprint Podcast. Today I've got someone that I've really been wanting to talk to and to chat with for quite a while, and it's my privilege to host today, Mr. Reese Harper. Reese, how are you doing sir?

Reese Harper: Good David, thanks for having me on today man, I've been excited to have this conversation for a while, as well. You've helped a lot of dentists learn a lot about real estate, and investments, and financial stuff for long time and just a lot of topics. Man, you add a lot of value, so.

David Phelps: Well, I've got my sweet spot, but I know with your experience you cover a lot of territory. I have just listened to your podcast, and again you bring really a foundational platform that I think everybody needs to weave their way into in some form or fashion. So we're kind of going to get in that today, and we'll just have a great conversation, but for the few people who maybe don't know who you are, Reese is the founder and CEO of Dentist Advisors dot com, the premier wealth management firm for dentists. He's the host of the Dentist Money Show, and a frequent guest on other influential dental podcasts, like this one for example.

[Dentist Freedom Blueprint](#) with Dr. David Phelps

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1

Reese Harper: Yeah.

David Phelps: Just to name one. Reese is also a regular presenter for dental events across the country, he's written several articles for major dental publications, like Dental Town, Apex 360, Doctor Bicuspid, and Dental Economics. He's a Certified Financial Planner, you're also a chartered Life Underwriter, and if I get it right, a chartered Financial Consultant, is that right? Did I get those right?

Reese Harper: Yeah, all these credentials kind of confuse people, I think I've taken them all away now, and just say-

David Phelps: Okay.

Reese Harper: My name's Reece.

David Phelps: There you go.

Reese Harper: Be confusing. Some of them are kind of worthless credentials, and some matter, some don't. I feel like the CFP's a little bit rigorous. My Master's Degree was the hardest thing. Like, Master's Degree in Finance actually took some effort. But man, I feel like there's too many financial credentials out there. I kind of want to burn them all down.

David Phelps: Well, I get it. It just shows that you're passionate about-

Reese Harper: I love learning. You're right.

David Phelps: We love learning. If some degrees, some letters after our name come with it, then I'm going to give them to you. You can do what you want to.

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1

Reese Harper: Thank you. Yeah, I appreciate that. I was hearing them, like, "I forgot about those. I haven't used those in a while."

David Phelps: Exactly. Exactly. I still have the DDS. That's my-

Reese Harper: Totally.

David Phelps: My claim-

Reese Harper: I remember a time in my early 20's, where those credentials were the only reason people would talk to me. They were really valuable at that point in my life.

David Phelps: Yeah, I think the world's gotten away from that, even though the educational format still has pillars to go through in that regard.

Reese Harper: And you were both big advocates for education, man. Those of you who can't see David right now, he's got about a thousand books stacked around him that he's been digested in that last, probably, year. This is last year's collection of readings. I just admire people that are passionate about education a lot. You're definitely one of those, so hopefully we can give some value to your audience today.

David Phelps: I know we will. Well, I want to know a little bit about your back story. Personally, and our audience probably does, too, so, give us a little bit. What moved you towards the financial arena, and then again, specifically towards dentistry. What are the connections?

Reese Harper: Yeah. I started, I've always really enjoyed education. I wasn't sure which direction I was going to go into. Philosophy, English, Education. I've really close to four or five different undergrads, right now, my undergrad that I

[Dentist Freedom Blueprint](#) with Dr. David Phelps

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1

finally finished was Music. Media, Music, and Education. Around music. So my master's degree is in Finance, my undergrad was Business, that I didn't finish. Then I switched to English and didn't finish that. And then I went into philosophy and music and finally finished music. I probably have four undergrads worth of credits.

What that taught me, looking back, I really didn't care about a particular track. I just love knowledge, I love learning. I just love the world, and what it has to teach me. Every day I feel so grateful to be alive, and learning from people like you, and from my clients. There's just one thing about me I think people would say is, that my mind is always trying to figure out how to solve another problem.

And so, I guess, during my undergraduate, I got an internship at a financial planning office, and I was thinking I was going to learn a lot about finance. It was at a Northwestern Mutual Life Insurance Agency office. And they were calling it a financial planning internship, and it really was, I mean, this was in 2002. A long time, 17 years ago, 16 years ago. And I saw, within the first three to four months of being there, how, in my opinion, it wasn't a financial planning company. It was a life insurance sales organization.

And I kind of got thinking, well, if they're calling it financial planning, and they're selling life insurance, how bad is this industry, really? Because this is one of the premier internships in the country for finance. It was ranked, Northwestern Mutual was ranked the number one financial internship for undergraduates by Princeton Review and all these places. I was just like, man, if it's

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1

this bad here, what's the industry like? Because Northwestern Mutual was pretty high integrity organization, they were a good place to have an internship.

I just got scared, I guess, really fast, about the state of finance in the United States. It just woke me up so quickly. I was like, I know a lot of people are really smart and they're self directed, and they can navigate all these tough issues, but 50 to 60, maybe even 60% plus of the population, could be 70% of the population, they have no ability to navigate this. The only place that advice is coming from is organizations that are getting paid to manufacture and peddle financial products to people. We're in trouble.

It was just kind of like, it became a new problem to solve for me. I was like, this is a big one. This is better than English teaching, this is better than philosophy teaching. I'm going to teach, I'm going to go learn about money, and finance, and spend the rest of my life tackling this problem, and see if I can make a dent in the problem space. I know I'm not going to solve the whole thing, but every day is just a journey to wake up and see what I can do to disrupt it a little more, break down the problems a little more, bring more transparency into the industry.

That's kind of where I started. I was at that Northwestern Mutual internship, I actually did the internship and then got a job working for three different people in that office. I worked for an attorney in that office for three months, and then I took another part time job working for another accountant in that office that was at Northwestern Mutual Financial Planning Division, and then I worked for an

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1

investment advisor. And I just wanted to see, how are different people tackling this problem space, and I just told them, "Hey, I'm not going to be here long term working. I'll work for nothing. Pay me 10 bucks an hour, and I'll shadow you and learn."

Because these are really experienced people, in their late 40's, early 50's, with a lot of knowledge to gain. I just learned a lot from them. And then when I was done, I went out and started my own financial planning business. That was 2007, 2006, at that point. There was a bull market at that point in real estate. There was a bull market in private investments. There was a bull market in Ponzi schemes.

David Phelps: Everything, right?

Reese Harper: It was nasty. I was just like, "Oh my gosh, this world is going to implode." I got friends telling me they're getting 4% a month on promissory notes, from their cousin. And I'm just like, whoa. And then, I'm starting a business right then, '07, '08, and '09 happen, the whole market kind of implodes. I'm starting a business, you could say it's the best or the worst time, in the last 50 years, maybe, to start one of these. But for me it turned out to be one of the best, because I was offering something that was authentic, I think it was refreshing, it was unique, but I was doing it for general business owners.

I hadn't picked my dental niche in '06, '07. I had a few dentists as clients, and I guess I got this conviction over a period of two years, that if I didn't pick one occupation to service, I would never really help anyone. If you're servicing multiple occupations, you never get to the root of the problem.

[Dentist Freedom Blueprint](#) with Dr. David Phelps

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1

General contractors, they're real, because as you know, David, real wealth is built in a private enterprise. That's where it gets built. It can be stored in the stock market, it can be stored in real estate. It could be stored, I mean, a lot of people get confused, in my opinion, at least, about the difference between storing money in real estate, and running a real estate development business. The difference between running a business that develops real estate, and, which actually is a great private enterprise that can make a lot of money, and then storing it in properties, again, a passive place, a store of wealth.

And building wealth is only done, real wealth, quickly and rapidly, that can only be done through private enterprise and stock ownership. And so I just knew that as a financial advisor, if I'm going to call myself that, if I'm going to say I advise people about finance, I can't ignore the primary reality, which is wealth is built through a private enterprise. And if I can give advice to someone that affects the trajectory wealth they build in that private enterprise, that probably does more good than if I could manage an index fund or if I can put their money in a 401k.

Although that stuff is critical, it's more managing the wealth, as opposed to creating it. And so I just felt like, if I didn't know the occupation well enough, how could I go in, and I just saw these people I felt like were being kind of hypocrites. They tell someone they're a financial planner, they show up, and they say, "How much discretionary cash flow do you have? You got three grand a month, you got four grand a month, five grand a month? Well, put it in this thing. I've got this thing for you."

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1

That's just, that's so transactional. That can't possibly be the right answer. That's where the industry is. I hope that we're making a little dent in making it better, but I think the future of financial planning is very niche oriented advisors, with occupational and consultative experience. Whether it's a teacher, public school district that you're servicing, whether it's general contractors, whether you're an anesthesiologist specialist that works in large groups. There's hundreds of occupations to pick from.

But Betterment and Wealthfront, and all of these wonderful technology platforms, they're going to do a fine job at servicing people at the lower to middle income spectrum, in getting a Roth IRA set up. But when it comes to actual advice that could change the trajectory of someone's net worth, from \$5 to \$10 million, or from \$3 to \$20 million, you've got to have an occupational expert, because it's going to be all about the private stock.

That's my view and why I picked dental. I felt like it was getting some of the absolute worst advice I had ever seen, because they had the least amount of background. I felt like they were being taken advantage of like crazy by people with not the best intentions. I wanted to pick that niche, because I was like, man, the biggest delta was right there, right? If I could just, if I could be impactful in that occupation, it's a big occupational niche, 200, maybe 150 to 200,000, depending on how you slice it. I felt like, there's a big enough opportunity there for me to make a big impact. And so that's why I decided to exclusively target the dental audience.

And build my business to where it just didn't market to them, but it responded to their unique life, their unique

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1

occupational challenges. And really was built for them. We're not only the only financial planning firm, I know there's a lot of CPA firms that do taxes and estate planning, and consulting services that also do some financial planning for dentists. We only do financial planning, that's it. And it's only for dentists. I don't know anyone else like that, at the scale that we are doing it.

And within our business, not only do we have a dental focus, but we know the difference in strategy for, a multi location orthodontist that's trying to build a 35 person team, compared to someone who's a scratch start, compared to someone who's in their mid career.

And the product is different. The service, we actually have a different service model for different segments of the dental market, at different price points, right, and that's what happens when you go niche. Thanks for letting me ramble for a minute. I'll let you respond, I'm sure you have a bunch of thoughts there as I was saying stuff, but thanks for letting me share all that, man.

David Phelps: No, it's good, it's good. It's good to know where you come from and to know the diversity of your background and your education. You really are, you seem like you're a really multi talented person. It didn't matter you didn't finish some of those degrees. The fact that you sought knowledge in different areas makes you very unique in that arena. And I think that's good, because the world today is all about, it seems like, specializing, and for me, and probably a lot of my colleagues, the people that you and I both serve, we got this direction of going into medicine, dentistry. We're almost afraid to step outside the lane that led us down the sciences, the tracks we had

Ep #221: Reese Harper - Flexing Your Wealth Building Muscles Part 1

to take. And the fact that you broadened your scope, because you just said, "I want to learn about other things," see, I wish I would have done that.

And so now I have to make up for lost time, which I get to do today-

Reese Harper: You've done great, man. That's really humble of you to admit that, but you've done really great in your growth as well.

David Phelps: Reese and I will pick up where we left off today with next week's second episode of the interview with Reese Harper, where we'll talk more about Reese's philosophy of building wealth. I'll see you then.

Take the next step at freedomfounders.com. You've been listening to another episode of the Freedom Blueprint Podcast with Dr. David Phelps. The place to be to create your freedom lifestyle with more time off, security, and peace of mind. More at Freedomfounders.com.