The Velocity of Money - Building and Maintaining Wealth in a Dynamic Market - Mart McClellan: Ep #442

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Dr. David Phelps

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Welcome to the Dentist Freedom Blueprint, a podcast about freedom—freedom from expectations of society and the traditional path to success that has been ingrained in us from our early years, I'm joined by mavericks, renegades, and non-conformers to discuss an anti-traditional path to financial freedom, freedom of time, relationships, health, and ultimately freedom of purpose. My name is Dr. David Phelps. Let's get started.

David Phelps: Good day everyone. This is Dr. David Phelps of the Freedom Founders Mastermind Community and the Dentist Freedom Blueprint Podcast.

I'm really happy to bring back a good friend, a colleague, and someone I've had on the podcast before. We met, I don't know, probably first through social media, but somewhere we connected very quickly. And that's Dr. Mart McClellan.

Mart, glad to have you back.

Mart McClellan: It's super fun to be back, David. Thanks so much.

David Phelps: So, just to give a little bit of color before we dig into some of our conversation today, Mart brings a unique perspective to the financial advisory profession because he's not only a financial advisor, but he's also, a practicing orthodontist.

His company, Macro Wealth Management, is the only advisory firm in this country with a health professional on board and uses an evidence-based planning system for his clients.

Trust is an integral part of the planning process, and this is a doctor advisor connection. It's a differentiator in the healthcare space.

Mart received his dental degree from Northwestern University, did his orthodontic residency at the University of Michigan. His undergraduate degree was procured at DePaul University where he discovered dentistry while on mission trips to Kenya, Guatemala, and the Amazon Rainforest in Peru.

After having a number of financial advisors, he is referred to Tim Streid by a fellow dental school classmate, where he was introduced to the unique holistic model that they use to this day.

The model works so well for Mart and his family that he wanted to get this information out to the health professions because they are not taught this in dental school, as we so well know.

So, Tim and Mart partnered up in 2004 and they started what today is Macro Wealth Management.

Mart is president of Macro Wealth Management, a registered investment advisor. It's registered in multiple states in the area of securities and life and disability insurance.

Tim and Mart have lectured nationally and internationally to large and small groups. They always welcome the opportunity to speak with any size groups.

Mart lives in Lake Forest, Illinois with his wife, Lindsay. They have two children, Riese and Flynn, and a big dog named Bruno. What's the make and model of Bruno? Just curious.

Mart McClellan: Bruno is a Leonberger and he's a very large dog, kind of a mix of Pyrenees New Finland and a Saint Bernard.

David Phelps: Wow. Good name for Bruno. And in Mart's free time, he enjoys golf, travel, basketball, fishing, boating, reading, and spending time with his family at his log cabin in Wisconsin.

Also, Mart and Tim published a book, *Your Retirement Smile: The Treatment Plan for Pay-Cut Prevention in Your Golden Years*. That came out, (I lose track of time) is it three, four years, five years ago?

Mart McClellan: Three years ago, yeah.

David Phelps: Yeah. Great book. And then you've got two new books coming out towards the end of this year. One will be *Persuasive Leadership* and the other one is *Thrive to Survive*.

So, we'll be looking for those. I’m glad to have some more publications from you because I really enjoyed the first one that you guys did. Very, very relevant.

So, interesting, I think there's some similarities in what we both experienced, just reading your bio again, is that early in life a lot of us have curiosity beyond our technical training.

So, there you are a young orthodontist, family, but thinking ahead. I think a lot of us are long-term visionary planners and financial security is a big part of what we all want to achieve and provide for our families. So, we're trying to figure out, “Well, how do I do that?”

And apparently you stepped right out in looking for the traditional … I shouldn't say typical but there's a lot typicals out there and financial advisory planning services, they're everywhere. All breeds, all makes, not saying anything as bad, good, or ugly, but you just weren't finding obviously what you were looking for.

My situation similar but also, different. I wasn't looking for traditional financial planning. I was looking for, well, how to be a better steward of my money.

And my story goes off to a little bit of a different curve, but still advocating for my own financial future more so through anti traditional or alternative investments in real estate.

But anyway, my point is we both were doing something early on and saying, “Hey, there's got to be a better way than what I'm seeing out there right now.” Is that a fair statement?

Mart McClellan: Yeah, that's a hundred percent correct. I like the word you used curiosity. One of my principles I live by that I thought of was be curious with no regrets.

And so, so many times when we do things and we go into things, we sort of follow the herd, you think it's the right path to take.

But if your curiosity says, “Oh, maybe there is a better way. And if it's not the right way, that's fine. That's just a learning experience.”

And my experience personally was I was just going down the traditional path to what you were discussing previously and it just was not working.

And I was just very fortunate, as you mentioned in the bio to be referred into a now, partners firm from a dental school classmate.

And that made all the difference in the world because what I tend to find is that in the traditional world of finance, it's all linear type of thinking. You do this, then you do this, and you do this.

And people say, “Well, I'm in my working years, my accumulation years. And then I get retirement years, it's distribution. And then I pass on, it's conservation.”

And life is not linear. The problem is it's a dynamic world we live in. And so, every decision you make with any investment decision, no matter what it is, any product, it has an impact on all three of those phases simultaneously.

And so, you have to have a very, very good understanding of, okay, how do these pieces fit together to give you maximum benefit now and in the future?

And what it comes down to is you do it linearly, it's very slow money, you're not accelerating anything. And therein lies the problem because it's very difficult for the dental space, the dental world. We all went through dental school, we all get a little later start in life.

I had a lot of student loan debt. I had over a hundred thousand dollars of student loan debt back in the ‘90s, which was a lot in those days.

But nowadays, it's much, much more. So, it's much more difficult for these kids to get on a path of financial security just based on the overwhelming arches of the economy itself, which we'll certainly talk about probably in a couple minutes here.

But yeah, I've really early on recognized after about three years of doing what I was doing the traditional way that that was not going to be the path I was going to take in the future.

David Phelps: I think curiosity bodes well for all of us. And when we're curious … and tell me if this is the way you've always been in your life, but as I look at how I look at things, Mart.

Is I'm curious, I want to learn, I want to grow personally and in different respects of my life, whether it's technical training, or stewardship of assets, or just personal growth in general.

You read books, or you can go to conferences, or podcasts today. And a lot of us do a lot of that.

And what I find myself is I'll listen or read, but I'm always questioning. I question. In fact, I just have to give an admission here. I hope this is not a confession of sin.

But even when I go to church, the preacher who is using the word of God in the Christian faith in his teaching through those principles, I still question his translation, interpretation, or whatever. Not that I don't respect the person, I just, I question, I question, I question.

It sounds like you've always done the same thing, is we respect people that have some authority or credibility. It doesn't take away from them, but we still should come to the table with some degree of skepticism or let's prove the theory, right?

Mart McClellan: Oh, a hundred percent. Proving the theory is a big piece of puzzle. I know you're a tennis player. I grew up playing sports all my life. I'm a competitive person and I'm sure you're pretty competitive yourself.

And when you're competitive, you don't like to lose. Certainly when you're trying to be a good steward of your money, you don't want to lose money and things get in the way of that.

And so, for me when people say all these things, whether it's face-to-face or online and social media, all these other things, well, it may sound all fine and dandy, but fact of matter is you have to be able to prove it.

And there has to be some type of structure in order to sort of analyze this decision versus this decision and measure all the good and the bad.

Unfortunately, in the world of personal finance and investing in general, actually, there's really no magic product. Everything has a good and a bad and you sort of have to outweigh, like maximize the good and manage the bad to give you more efficiency and more output on those particular products.

And so many people are selling all these things like, "Oh, this is the thing we do." And I'm like, "Well, it may be good in that circumstance, but then again, I mean, it may not be so good five years down the road."

And the financial institutions are especially good at creating products based on the economies that we're living in today. If interest rates are going up, they'll make a new product. Or the stock market is doing this, they'll make a new product.

It's like it's all just very, very, what can you sell me now, and then move on to the next thing. And that is not a really, a very effective way of building wealth.

David Phelps: You mentioned earlier about failure of a linear progression in wealth building. And that's kind of how we were, a lot of us were taught in school. You talked about like dental school per se, orthodontics, it's a step-by-step procedure.

And so, we're kind of taught this linearity, is that a word?

Mart McClellan: Maybe. If it is, well, worked by me.

David Phelps: We'll use it. Alright. So, we're kind of linear is built into our DNA from that kind of training. But as you said, it doesn't allow for velocity.

Talk a little bit about velocity, the concept of velocity and how a more holistic approach, the dynamism that you just alluded to, that we need today.

Because particularly now, on this last year, 18 months, we've seen a lot of dynamism in the marketplace and a lot of linearity is not probably working out, like maybe it did for a while to some extent.

Mart McClellan: No, exactly right. And I do believe it's one of the most important principles of personal finance is understanding how do you velocitize your money or multiply your money over the course of time.

And the interesting thing is, in personal finance, we call them the rainmakers, the people who make all the rules. The finance institutions, the corporations, the government, they make all the rules.

And it's very interesting the rules they make, they tell us through the exact opposite of what they're actually doing.

The reason they've got all these big buildings in these cities and all the power is because they're telling us to do the things that they're not doing. They're velocitizing their money.

Like a banker will take my paycheck and they'll give you a mortgage and they'll give this person an investment for their business and a car loan and a student loan, and those dollars will come back to them multiple times during the course of the year.

And they'll use that dollar over and over and over. And what do they tell us to do? Oh, put a money into retirement plan and sit in there for 30 years and you get no velocity of that money.

And it's like the money will be eroded away by the wealth eroding factors like taxation, inflation, and a multitude of other things.

And so, it's very, very difficult, if not impossible, to replace your income in retirement if you're living in this linear world or this flat world that we live in. We don't live in a flat world. It's a round world and everything's coming at us one time.

So, what we need to do is put a different hat on and we need to sort of do, “Okay, these guys are doing, telling us to do, we should do what they're doing.”

And you're certainly more of an expert than me in the real estate space, but real estate is absolutely one of the best ways to velocitize your money. There's just no ifs, ands, or buts about it.

And it's one of the most powerful pieces in the models that we use because there are just so many beautiful things that can be done to grow your wealth with that vehicle.

David Phelps: One of the things I see that's really challenging, and I think this just kind of goes with one's evolvement in maturity over life. We all go through stages of life when we're young and oftentimes in our 20s, call it 20s to 30s.

And we're on that achievement mode and we're getting through the school, and the licensing, and it's a vibrant time of life.

And maybe you're starting a family, and starting a business, and all these things that are exciting. They take a lot of work, but we've got all the energy and we're ready to go.

And I think because we've had that independence feeling that John Wayne independence like, “I've proven I can do this, and so, I don't want to take any advice from anybody else because I can do this, whatever this is.”

And that's what I'm saying here, Mart, I think you understand is we both love to try to provide guidance or mentorship for like the younger generation.

And I'm not being pessimistic here at all. You just mentioned again, the dynamism of the marketplace. Well, we just went through a period of time, a market cycle, or a half cycle from the 2008 great financial crisis up until, well, 2020. And then we had COVID, which like kicked the can down the road another couple years.

So, we had this really this 14 year bull cycle, upmarket cycle, where there was just so much money that was pumped into the marketplace and assets everywhere just blowing up.

And the recency bias that I think a lot of younger people who haven't really seen a full cycle, or at least they haven't lived through one as an adult, let's put it that way, as a business owner or a investor, things just go up. It's just everything always goes up.

So, all I got to do is just keep my money kind of place wherever I've been putting my bets and it's all going to be good.

How do you try to have the conversation? And I got to say this right here because we have younger listeners and I want them to understand that there's market cycles and then there's the long term secular cycles.

So, I could even go back to 1980 when I was just starting out as a young adult and I had no clue that we had the highest interest rates in history after Volcker came in to try to smash inflation back then.

And we had 40 years of declining interest rates, which really provided a massive tailwinds to anybody who was in any kind of equity capital business. It was really kind of an outlier period.

Yet a lot of people think, “Well, that's just kind of the way it is, and we'll have this little bump in inflation and interest rates and the fatal gain inflation back into control then we're back to it again.”

I don't know, I don't think that's going to be the case, but I'd like to hear from you. How are you from a holistic standpoint advising your clients?

You don't have to be specific, but what's some of the generalities that you're trying to give them? The educational part about all this dynamism?

Mart McClellan: Yeah. Market cycles are something that we've not experienced a lot of with the younger folks, honestly. You and I have been around long enough.

I'll never forget growing up with my dad, he came home, this is back in the early ‘80s to your point, and he was so excited and I didn't even know what it meant. I was high school.

And he's like, “Alright, I just got a single digit mortgage. My mortgage is 9.5%. Used to it being like 12%.” And he was so happy.

And so, we have been in such a world of artificial reality when it comes to interest rates, inflation. I mean, it's all been, in my opinion, artificially created really since the great reset of 2008.

The amount of money that has flown into the economy is something that just ballooned to everything. Equities went up, real estate went up, everything's going up.

But if you sort of take out the liquidity of the market, if you actually take out all those things, the markets we’re not down all that much. The market has really performed based on the cash infusion that Uncle Sam and the world economies are doing to sustain this issue at anon.

Unfortunately, your point, they kicking the can down the road is exactly what's been happening. And this debt issue is going to come to roost at some point in time. And the question's going to be how are we going to manage it?

And unfortunately, people live in the world like, “Oh, it's going to be fine and you're just going to grow out.” But the longest bull market we've ever seen in the stock market.

Real estate's had a really good run. I know that you can probably make some comments on, you've on other podcasts. The commercial real estate market's got some concerns. You've been forward with interest rates and stuff and all this refinancing coming to this.

There's a lot to be concerned about. And I know at least especially in the circles I'm talking in, people are pretty strong on a recession in the fourth quarter this year, maybe early next year.

That's sort of their target, six months timeframe, where we're going to start maybe seeing some impact or some influences from other places that are going to really have a big influence on our wealth moving forward.

And then throwing a election in there too, David. I mean-

David Phelps: Oh yeah, Mart. Yeah, we got to have the political aspects too because that just throws any sense of reality out the window. So, yeah, a hundred percent.

With all of that being said, it sounds like you are thinking the way I think is that we are going to have some correction deflation or disinflation in assets, equities in general.

But then long term, you see it as I see it and I think you do, is that inflation is probably going to be with us to some degree, probably some volatility lot less stability, where we had inflation that was running under 2% for many years.

And actually the Fed wanted to get it up a little bit. Now, it's like, hey, they're trying to push it down.

Do you see things in general like that, or what do you see?

Mart McClellan: Yeah, I see inflation not going away anytime soon. And my thoughts on, unfortunately, in the world of the government and inflation, it's in their best interest over time to keep in those inflation numbers low.

Because a lot of the governmental programs are based on inflation. And obviously, if they don't keep those numbers artificially low, those programs go bankrupt faster.

But my feelings are is that inflation's going to continue on. And then one of the biggest reasons too is because the Fed is stuck. They really have no way to sort of kick themselves out of the bag.

They can raise interest rates, which causes a whole assortment of problems in the bond market and other places, or they can print more money. So, if you print more money.

David Phelps: You get more inflation.

Mart McClellan: Yeah, we had the same problem that we had with COVID, and so, it's a very big problem. And if they get it down, a lot of times they'll play with the numbers to make it look good. But inflation's always run a little hotter than what's been presented.

And quite frankly, when you look at inflation by itself, honestly, every human being in America has their own personal inflation number. I mean, so there's no like overarching inflation.

Some send their kids to private schools, some don't. Some buy expensive cars, some don't. I mean, so everybody has their own personal inflation number that they need to be aware of. And those numbers are going up.

David Phelps: So, with this kind of environment, looking ahead a little bit longer term, where are some places to hedge or hedge inflation, hedge volatility? What do you look at in terms of some allocations that represent some decent hedging?

Mart McClellan: Yeah. In this type of environment that we're living in right now, we love hard assets. I think the place to sort of say overweight because when we say diversification, people say, "Oh, you're an investment guy, and diversification of stocks and bonds." That's fine, but that's not really true diversification.

True diversification is all your assets, how all your assets work together to diversify the ups and downs in the economy. We've all lived long enough to know that stock and bonds go down, real estate goes up and down, and all the other things go up and down.

And so, but at least in this stage of the game, we love the real estate space. We love investing in businesses, brick and mortar type of businesses, or even software businesses and people getting into AI right now.

We love cryptocurrency, we love Bitcoin, and we like that piece of the equation too. That's a hard asset, in our opinion. And we think that's another good place to allocate funds, especially since our fiat is getting weaker every single day.

David Phelps: Yeah. With the way that our country with the dollar being the reserve currency since Bretton Woods weaponizing it and other countries are a little bit sick and tired of that. So, we have bricks. No more discussion of that happening right now.

I don't know that it's a near term risk, but I think the trends are there.

If you just look back over hundreds and hundreds of years, there's always going to be a change at some point in who rules the rules in terms of reserve currency? We took it over from the UK essentially.

So, these changes are coming and I think, again, our time span, our lifespan for us as individuals is so short in terms of history that we are all born into this — many of us were born into this country wherever we were born, but during a timeframe when that's really what we know, that's our reality.

Yet history is massively huge. And if you don't study history, these changes, they just like blindsided you. And I think that's what we're trying to portend to the people that we try to mentor and help them navigate the issues is you've got to look at, well, just the name of the company, macro.

Macro before you go to micro. You got what concepts and strategies they need to take it down to tactics.

But so many people just, they sit grab products. Well, what's the product of the day? Product Azure. What are they selling me? It's supposed to placate this issue or that issue. It's like, that's not the way to do. It's a hodgepodge.

I mean, how many people come to you asking for some help, some guidance, and you look at, to see what their quote asset allocation is. It's just, it's all over the board. I mean, there's no coordination whatsoever.

And they don't know what they haven't board either. I mean, it's just like, "Well, some potential advisor told me I needed this and now, I got this." And you got to kind of reassemble the whole thing.

Kinda like you go and look at somebody's mouth where maybe they just had a lot of one tooth dentistry done over the years. A culmination of that and the alignment's not going to be there.

At some point you got to like overhaul, refurbish the whole thing to get it back in sync to a goal, a destination point that wants to be met.

Mart McClellan: Yeah, absolutely. We actually have a name for it. We call it the financial junk drawer. Everybody that we come across when we first meet them, they've got all this stuff. Like there was a kitchen junk drawer, you've got all that of stuff in your kitchen junk drawer, it's all in there. You don't know where to look to find it.

So, it's like, the reason why is because you buy products over different parts of your time. You work with different advisors, you have friends that tell you to do these things. It just gets all messed up in there.

And so, we all say, okay, it's like taking your car to the shop and getting a tune-up. You either change the plugs, you get a new air filter, get some change of oil. Well, you get the same car back, just with working better efficiency.

You just take all the products that you have in your financial life and just say, “Alright, how do we sort of rearrange them as you made the comment, coordinate and integrate them to give you greater output?”

And financial products can do that if you understand how these products work.

David Phelps: Mart, talk to me a little bit about sequence of returns risk. What does that mean to us as an investors of our wealth?

Mart McClellan: I'll make two comments on sequence returns. I'll make one comment and I'm pretty confident that probably none of your listeners have heard before. I learned maybe about a year so ago that is just was a fantastic comment by one of the leading retirement income specialists in the country.

And he and I were just having a conversation. He goes, “What most investment advisor are talking about sequences, returns risk is like okay, people say, “What's your rate of return in in the market?” People say, “I've got 8% or 10%.”

The problem is that's not a static rate of return. So, people say, “What's your average rate of return?”

And when people ask your averages, you got to throw it out the window because averages mean absolutely zero when it comes to what you're actually getting in the long run. It's actually what your actual annualized rate of return is on the portfolio.

So, sequence returns is if you're ready to retire, you take like a 20% hit that first year out, it's going to be very difficult if you ever to recover in that portfolio because you're not working anymore.

When you're working you take a 20% hit, like, "I'll work my way out of it." When you're taking money out to live on in retirement and then you take a 20%, we go out the double whammy, it's very difficult.

So, the sequence if really comes down to those first 5 to 10 years. And it's literally coin flip, honestly. If you can make through the first 5, 10 years good in the market, you're probably going to be pretty good at being okay in retirement. But if you have a couple bad years, you are in big trouble.

And that's one of the reason why the greatest fear of retired people today is not death, it's running out of money and because of all these other things.

But what this one economist told me, and this is a very interesting point and never really thought about it, was that not only is there market rates return, sequence of returns, but there's also, inflation sequence returns.

And I never really thought about that, but it's really, really true. Because if you were to retire in time of high inflation, those first 5 or 10 years are also, going to significantly impact your ability to survive in the future because your money 20, 30 years down the road won't be as valuable.

Where if inflation's running lower then you're going to be probably better off. And so, you not only have to worry about the rate of return on your investments, but you also, have to be cognizant of inflation because inflation's actually even a worse wealthy rotor than taxation.

So, you have to measure these metrics very, very carefully and have the firm understanding when you're ready to retire, you got to plan for retirement like now. And when you're in your 30s, 40s. You can't like say 55, I'm going to retire in five years.

You can do it, but it's going to be more problematic to maximize your income in retirement.

David Phelps: Yeah. Inflation is so covert and because we really haven't had any cognizant level of it until this last year, year and a half when for the first time in 40 years, we saw it really elevate.

Again, most people don't understand how destructive it is. And you're so right, I think that's a good point you bring up is because of the destruction that it creates if it's there for any period of time, it's just the drag effect is massive.

And as you said, people worry about taxation, which yeah, that's another problem. But the inflation can be, as you said, a stronger disruptive force than actually taxation, which-

Mart McClellan: Yeah, and you wrote a whole book on it.

David Phelps: Yeah.

Mart McClellan: Which we know it's incredible. We call it the stealth tax. It's a stealth tax, it's a tax that it's always going to be there. Even like people say, “I have like no taxes.” Well, you're paying taxes in inflation.

David Phelps: Yes, you are. It's not right in the check. But yes, you are paying taxes. It's the government's way of stealing your purchasing power.

And actually really what's it's doing too, is it's stealing your time because do you have enough capital and enough income to pay the higher cost? You have to work harder because wages are not keeping up with inflation. So, your ability to stay on par just means you've got to work harder.

So, yeah, they're taking it from you one way or the other. And I think when people start to understand that, it becomes, well, a little bit disheartening, but then it's like, “Well, now, I really need to get on this and do something about it because I didn't work on my life to have to worry on my last third of my life about running out of money.”

As you said, that's not what this is all about. “I took a lot of risk, worked really hard, and now, I'm trying to count pennies.” And that's just not where you want to be at that point in life.

Mart McClellan: Absolutely. I mean, and especially in the Dallas space. I mean, our biggest risk nowadays in moving forward is longevity risk. We are all living larger healthcares, the technologies are getting better. They saying kids being born today going to live to 120.

I mean, you think about it, dentists, they may be 30, 35 before they're sort of getting their feet on the ground, getting their practice going, buying all, maybe start making investments and such.

But if they go from 35 to 65, that's 30 years. Well, heck, have you lived 65 to 90, that's another 30 years. Your retirement years are almost the same as your working years.

And lot of desks, at least we come across like, “I don't want to work till 65. I like to finish at 55 or maybe even earlier.”

They want the option and flexibility to make that decision, but just by doing that, obviously, that money that you've created up to that point needs to be positioned much better so they can last much longer.

David Phelps: Mart, what's your philosophy on debt reduction? It's a great place to be in life. It'd be debt free goal that most people have to get there at some point, but how should people look at that?

Because with education, you mentioned student loan debt, starting a business, buying a home most of the time requires some amount of debt. How do you look at the debt reduction principles?

Mart McClellan: I love that question. Contradict, sunblock people's opinion that in my opinion, there's good debt and there is bad debt. Of course, bad debt, short term credit type of consumer debt.

But I think good debt is definitely low interest, tax deductible, amortized over a long period of time debt. If you get into a mortgage or real estate investments, get the lowest rate you can, stretch it out.

And the funny thing is, I always get a kick off be like, “Well, I don't want to have debt forever.” Well, doesn't mean you have debt forever, that means you're just using the bank's money longer and you pay it off when you want to pay it off.

David Phelps: Absolutely.

Mart McClellan: It's a silly premise when people make these comments. And then we talked about inflation before. Well, inflation's your friend in a long term debt vehicle. So, let that help you.

I mean, it's hurting you in other places, but from a debt standpoint and especially when you're leveraging it for investments, holy smokes, I mean, take maximum advantage of that.

And there are people out there in the world saying pay off your debt first and then go into other things. Okay, that's linear. That's back to that linear problem. Okay, great. Oh, I paid off my debt in 5 years or 10 years.

You just lost 5 to 10 years of incredible wealth building on the compound interest growth curve and the biggest impact of the growth curves on the back end.

So, if you're slowing on the front end, it's millions of dollars honestly, of lost wealth by sort of managing your debt in that particular way. That's not even an opinion that can be proven economically.

David Phelps: I'm with you a hundred percent. I mean, that's kind of my story using real estate, but I had to leverage big time to start acquiring those assets. And over time, they were paid off or I sold some and paid others off.

But yes, you take out a 30 year fixed rate mortgage long term, probably not going to stay with any asset that long. You'll find other ways to pay it off when the time comes, when it's right.

So, I'm with you. With prudent use of financial leverage, that's a great wealth builder. And you're right, inflation makes that debt your friend, in that case.

Mart McClellan: Key to success there is you be in control of your asset. And when you have a contract of a lower debt, financial institution's in control of the asset.

So, is the longer it is you have more control and flexibility of it, and you're the one who makes the decision, not them.

I mean, people are like, “Well, my 15 year mortgage is less interest rate than the 30.” Well, it is, but actually they make more money on the 15th. They want you to pay off that debt early, because guess what? They get their money back faster.

David Phelps: That's called the velocity. Back to the velocity.

Mart McClellan: That’s the velocity.

David Phelps: Somebody's figured out these principles. That's why they have the big buildings.

Well, hey, it's always fun to get a chance to talk to you again and catch up a little bit.

Mart McClellan: Absolutely.

David Phelps: We entered our — with our curiosity for finance, and assets, and investments from different angles, but it's not surprising we come to very similar conclusions in our respective journeys.

And that's why it's always fun to have conversations with you because I like to blend what I know, but also, blend it with someone who has a broader look at the markets and just pick up some additional constructs because that's how I learn, that's how I keep my finger on the pulses.

Other people who are also, in different places and looking at things from a different angle. That's hopefully what we bring to people on these podcasts and through the books that we both publish.

And you've got the new ones coming out later this year. So, I look forward to those very much as well.

Mart McClellan: Absolutely, David. I'm very grateful for our relationship. I'm very happy that our paths have crossed.

And I do think that the messages that we're trying to present to the dental profession and other places too, this is just not a dental message, quite frankly. This is an American message.

And if people want to sort of move on to the next level, I'm of the firm belief that we have to sort of manage and be good stewards of our money, but have an understanding of just be curious, think a little bit differently, ask questions. And by doing so, our society will be much better off.

So, thank you again for the opportunity to speak to your folks again.

David Phelps: Mart, let me just — and we'll put it in the show notes. Best way to contact you at Macro Wealth. What would you like to leave with us? And we'll get put the links in the notes.

Mart McClellan: Yeah. Best email. It's M-A-R-T. It's a weird first name. I'm like one S short as smart. So, it's just Mart. mart@macromceo-wealth.com.

David Phelps: Very good. Excellent. Alright, well, thank you again for your time today. We'll pick it up and do it again periodically, just see where we are in the dynamic movement of the market. Smart, you take care. Alright.

Mart McClellan: Thanks so much, David. Appreciate it. Bye now.

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