



3 LESSONS PODCAST

How Dr. Rachel Gainsbrugh Retired at 41 with Short-Term Rental Properties

Episode 4 Transcript

Matt Bowles: My guest today is Dr. Rachel Gainsbrugh. She is a pharmacist and real estate investor who became financially free through short term rentals and was featured on the Netflix series *Buy My House*. A first generation Haitian American, Rachel arrived in Miami with nothing, earned her doctorate of pharmacy, worked in the healthcare industry, and then started investing in short term rentals in 2018. She was soon able to replace her pharmacist salary with cash flow from her rental properties and retired at age 41. Today she has an 18-door portfolio, including a Netflix featured property, generating \$22,000 monthly. She also runs a real estate coaching program called [Short Term Gems](#) has helped over 500 healthcare professionals build their own rental portfolios.

Rachel, welcome to the show.

Dr. Rachel Gainsbrugh: Oh, my goodness. Matthew, thank you so much for having me. I am just so grateful for this platform that you have built to men to make sure that others are getting the opportunity to learn a little bit about what we've learned along the way. So, thank you.

Matt Bowles: Well, I am super excited to have you on the show. We know a bunch of people in common and I'm really glad we're able to put this together because you've done some very impressive stuff that I want to dive into. But let's just start off a little bit with some context and some background. Can you share a little bit about your experience growing up in Miami and then your professional trajectory and what ultimately led to buying your very first rental property?

Dr. Rachel Gainsbrugh: Yeah. So being an immigrant with a language barrier, my parents came from status in Haiti. My dad was a math professor and my mom was a midwife. But when we came to this country, you start from scratch, essentially. And so, watching my mom and dad work three and four jobs a piece, I understood quickly that they really were fighting for us to have a stability, which is something that we were worried could disappear overnight. And so, I learned to be scrappy from them. I truly believe it. The way that they budgeted and raised four kids, it's just, it's beyond me. So. But there was a pressure, there was cultural pressure. You know, it's either a doctor or a lawyer or a nurse. There is definitely an emphasis on education and, and faith. And so, we were tight. We're a tight knit group. There's a whole community in Miami right now called Little Haiti. We probably house the, the largest number of Haitians in all of the United States. So Little Haiti, shout out too Little Haiti.

So, then I went on to get my doctorate degree. The white coat, the pride and joy of the entire community. But that path, which was the safe path, the steady path, that came with half a million dollars in student loan debt between my husband and I. And so, people talk about financial literacy all the time, but there weren't a lot of finances to literate upon. So, I did not necessarily have the building blocks there to get a better understanding of student loans,

interest rates. And yeah, and so we found ourselves, my husband and I, we were just working 14-hour shifts, cobbling together different jobs to try to pay down these student loans. So, we were really hustling that. It came from, you know, my background, right? So that immigrant resourcefulness proved itself to help us to get some foundational, I would say, debt pay down.

But then I realized that on the other side of that was going to be a net worth of \$0, which, according to Dave Ramsey, that's great. That's a great place to be. But I felt like, you know what? There's got to be something more. And I slowly found myself taking off my Dave Ramsey hat and putting on my Bigger Pockets hat. That's actually the very first podcast that I started to learn about real estate. And, and I didn't wait for to be completely out of that. I didn't wait for everything to be perfect. I didn't go after 20 doors like they said to do on Bigger Pockets. I essentially carved a path that was perfect for where we were at that moment. And we scrapped together \$19,000. And that's how we got our first foray into real estate investing.

Matt Bowles: Can you talk about that very first rental property investment experience you scrape together \$19,000. What do you do with it? What do you decide to buy with it? And how did that very first experience go for you?

Dr. Rachel Gainsbrugh: Okay, so I'll tell you what I thought I was going to buy with it. My poor husband, I had him drive me all the way to Alabama because someone on Facebook said that there was this great property. Three bedrooms, two bathrooms. The photos. You should have seen the photos, Matthew. The sun was glistening on the side. It was like, oh, it had a little minty green color. This was everything that I had hoped for. All of my dreams hung on this first property that was \$17,000. I would even have \$2,000 to spare. So, as we're driving and we're getting closer and closer, and I start to feel like, you know what? We're not in Kansas anymore. This is giving me the hood in Miami vibes. Okay, so I, we probably need to clarify. When people hear Miami, they think of sunsets and beaches and all of that, but that's not how most people actually live.

So, it was giving me a little bit of a dicey flavor there. And as we're getting closer and closer, I see a property that looks like it's being held together by caulking. And it was just dilapidated, it was falling apart, the roof had caved in. And we sadly started to drive back home. It was just so sad. And this time, my husband, he's looking at me like, you see, this is what I was trying to tell you. You know, you get hyped up about certain things. You get so excited and you know, this was not at all what you had expected. And you know, I nodded my head and I was thinking to myself, yeah, he's absolutely right. I don't know why I got hoodwinked into this particular situation. But then that moment though, the unlock for me and what helped me to draw the line in the sand was that. You know what? I may not fall into the same realm of the we buy ugly houses crew, right? I'm working a full-time, full-time job, multiple full-time jobs.

Maybe my best and highest use is not this fix and flipper type of situation at the time. Working full time. My best and highest use is to work full time and to create this revenue that I can then invest. I kid you not. The next morning, a house goes on sale walking distance from where we lived. And that particular property was on sale for \$290,000. I automatically knew that it was worth upwards of 363, 375, if not more. Just because I was very familiar with that community, with that neighborhood. And we put in an offer and we were number eight as far as those who had already placed an offer prior to us.

But the one thing we said is, we're not asking for any concessions as is, we will take it just because we knew the value of that property. Turns out the owner had passed away. The son was the trustee, he was out of state. He was like, let's just get rid of it. And the realtor was from out of state, so trying to connect with others, and so they did not understand the inherent value of that property. So that \$19,000 instead of a cash purchase became the down payment for that very first property. We had a local bank offer us a 5% down back then in 2018, which was amazing for a rental property. And so, we went with it. It was a four-bedroom, three-bathroom, beautiful home. It needed a little bit of work, not a whole gut job like our first foray. And that was the start of it.

Matt Bowles: So how did that ownership experience go with that property? And then from there, how did you then scale up your portfolio?

Dr. Rachel Gainsbrugh: Okay, so that first property, I wanted to make sure that within the first 30 to 60 days, the property could pay the mortgage. And so, we hit the ground running. We found a local contractor to fix up the roof, so we needed a roof replacement. We needed some carpet to be replaced. We prefer a solid wood flooring because we're always pet friendly. That's something we adhere to this day. And we needed a little bit of a lipstick on the interior, some paint, and that was it. From there we furnished a property, that very first property off of Facebook Marketplace. And I pre-listed the property even before I felt like I was completely ready. I went ahead and listed the property a few weeks prior, but then I opened the calendar to where I felt comfortable that we would be more than ready to host a family.

So, at that point I was dead set on short term rentals. I had evaluated all types of strategies, but for me, short term rentals were the most ideal because it would get me faster to my goal of using the additional revenue to reinvest and to pay down our student loans. We got a little ding in the middle of the night, and I kid you not, it reminded me of the quote that I heard from Warren Buffett that said, *If you can't find a way to make money while you sleep, you will work until you die*". And at that point we were working 14-hour shifts. Our health started to take a nose dive and, and it hit me, oh my gosh, we just made money while we were sleeping. Our first booking came in the middle of the night. It was a corporate team, was four gentlemen that were coming in to do some training locally at the aviation center, something along those lines. And it was great. It was wonderful.

So, we got really excited because all the while though, Matthew, if I'm being honest, I started to get this dreadful feeling like, oh my gosh, what if no one books the property? Oh my gosh, what if everyone hates it? And then I would have to call myself and say, Rachel, you did the math. If no one books as a short-term rental, you're still going to cash flow as a, as a long-term rental, no one books that as long term. Until you're, you still have a good amount of equity in it, you can sell it like relax, right? You have options. I say, okay, I'll relax, you know. So, I had to kind of change my self-talk. So that property ended up cash flowing about \$4,000 or so per month. And so, we cobbled together those funds and we put a down payment on another one that was a couple of miles away from that particular property. And then we did that a third time. And it's that third property that landed us on Netflix.

Matt Bowles: I got to hear this story, Rachel, tell me about this property, how you ended up getting on Netflix and what that experience was like?

Dr. Rachel Gainsbrugh: Oh my gosh, it was, it's. I never dreamed of being on TV. I can't sing, I can't dance. So that was never a part of this My Life Script. So, it was really interesting. So that third property, and this was, will actually be a part of the lesson that I learned. As I was running my analysis, I use a ton of AI even back then in 2018, 2019, to run the numbers to really get a picture of what the demand cycles are in the market. What is the travel demand? Who's coming to the area? What time of year should we price our property a certain way? And so, the way that we would price our property is using an AI power tool that monitors all of that every single night and then update our pricing every night as well, similar to what the aviation, the airlines and the hotels use.

And so, because that third property was a little bit bigger than the second property and the second was a little bit bigger than the first, the third property, I was thinking, you know what, I should market it for about 8,000 a month or maybe \$9,000. Dare I even think of 10,000k, like who has \$10,000 right to spend? That's ridiculous. So, as I was setting up the pricing tool, I allowed it to calibrate on its own. And I do that. And then I, I have to recalibrate oftentimes either overshoots or undershoot. And so, I turn it on and I'm waiting for it to calibrate and then I'm reviewing the pricing to make sure that we don't undershoot or we don't overshoot. Because if you overshoot, you're not going to get the bookings. If you undershoot, then you're going to get bookings, but you're not going to have enough to cover your expenses. The tool prices are 30 days stay and we were starting with 30 days just because we needed to find a new cleaning team and all of that. So, we said we're going to start off with 30 days and then we're going to pair down to two, two-night length of stays.

So, 30 days stay it priced it for \$28,000. And I thought to myself, okay, no, this thing is completely broken. Let me go ahead and turn it off and then turn it on again. Right, turn it off and turn it on again. It gets booked before I can turn it

off and then it gets booked again. And so that property was generating anywhere from 15k to 28k. And so that's when I realized and, and for myself, it was a, it was a mindset shift for me because the way I was going to calibrate it is to pin it down to around \$8,000 a month. That's what I thought would be palatable for the audience that I was bringing in. However, the big lesson that I learned is, okay, Rachel, you're about to devalue a property that is a high value asset, you know, and it came from little girl from Haiti, came from inner city of Miami, came from money trauma. It came from, that's where it came from. And so, I asked myself where else are you playing small in life? Because never would I have ever considered that there's a person out there that can pay that amount. And turns out corporations.

And so, what had happened was a family who was displaced from their home due to a catastrophic disaster. There was a fire or there was a water pipe that leaked or something along those lines. They're coming from maybe like the neighborhood over which is an A plus neighborhood, 11-bedroom home, \$2.5 million. Well, there's no furnished six-bedroom homes in that whole city. I'm the only cat in town. So, the closest they'll get to their 11 bedroom is my actual property. And so, the family booked us through their insurance company. We got paid by Allstate. We continue to get paid by these homeowners insurances because these are individuals that are coming to our home from higher valued homes. So that was interesting. A platform called AirDNA, that's one of the platforms that we use to analyze property. They reached out to us. Mystic Arcs Casting company reached out to us and interviewed us for a Netflix show and we ended up on the next Netflix show Buy My House, Episode 4. So that was an interesting experience to say the least.

Matt Bowles: That is so amazing. And then can you talk about your next transition in terms of actually replacing your income from your job and being able to transition out of that and then starting to coach other people how to do what you did.

Dr. Rachel Gainsbrugh: Yeah. I want to emphasize that by the time we had the second property, at one point, my husband, he had become bedridden temporarily due to needing spinal surgery. Really bad back pain, like, he was not doing well. So, I was holding down the fort. He had a psychology practice. He couldn't even sit upright. I was holding down the fort. And he was in bed like this, answering guest responses. He was running our rentals on his cell phone while in bed. And so, after he had his surgery, he was going through recovery. He actually liked it. He came from reluctant spouse to; this is a great idea. This was great. I'm so glad I came on board. And he ended up not going back to his psychology practice. It was very, very taxing on him psychologically, mentally as well.

And so, he said, hey, what if we grew this side of the. The business? So, he retired before me. He did. And he looked at me for a few years. He was like, why are you still going to that stressful place that you're complaining about every day? I was like, oh, no, I just need to get to this next number. I need to get to this next number. And you know what, Matthew, the. The. The. What is it called? You know, English is my third language. The goal post kept moving. It kept moving. And again, I attribute it to maybe the money trauma, right? Like, and not really knowing my enough number because we had hit it with those three properties. We had hit it. And so, I started to join masterminds with other women that are investing and just a variety of high. I would call it high output women. And we had these conversations like, when is enough? Like, what are the other areas of our lives that we want to ensure that we're living our life to our fullest? Husbands, children, all the things.

And so, one of them challenged me around. Okay, Rachel, your income that's coming in. It's through a lot of active income. What about some horizontal income? What about some income that's a little bit more passive, so to speak? Kind of like teaching something? And so that's where the seed for the course started to be planted in me, because I was getting asked the same questions over and over again at my place of work. And so, through sharing, you know, my experience and sharing the steps that I take to launch a property, a portfolio fell into our laps. A portfolio of eight properties up north in the Poconos, which is outside of the state of Georgia, where we were Investing in, in at the time. And so, I reviewed the portfolio with the fine-tooth comb just like I would. I have a whole framework. It's like the PACU framework. I look at the numbers, then I look at the proximity to all the things, the amenities. And, and so it prevailed, it passed from that mastermind is where I, I had that opportunity.

And so, we went forward with it and we worked with partners to take that portfolio down. And so, we continue to grow, my husband and I, we continue to grow on our own. And then we continue partners, investors as well. And then so from there, yeah, so from there, continue to teach and share and package it into a course for busy medical professionals on. Okay, here's what you do. Here's what we don't do. We're not going to be driving for dollars. We're not going to be handing out bandit signs because those are all the things that I was attempting to do while working three full time jobs. It feels like, right. It just, it doesn't resonate. Here are the four things you need to do that's we're not going to do anything else. And so that's, that's kind of the difference. That's how I'm different from a lot of the, the different educators in the space. I truly believe, just watching what happened to my husband and his illness, I truly believe if you get two really well positioned properties, two high value properties, it has the ability to radically change your life. So, we don't have to chase a hundred doors, we don't have to chase 20 doors. Let's just start with two. And I think it'll make a, a big difference.

Matt Bowles: I love that advice. Well, Rachel, you've now coached hundreds of people through this program and obviously have some incredible successes in your own journey. At this point, I want to ask you to reflect back on your entire real estate investing journey and identify the three most important lessons that you wish you knew starting out. In other words, for somebody beginning their real estate investing journey today, what would be the top three pieces of real estate investing advice you wish someone had given you when you were starting out? So, let's start. What would lesson number one be?

Dr. Rachel Gainsbrugh: Lesson number one would be start before you're ready. And the reason is I actually spent two years agonizing over that first rental when I could have been two years into that first rental. So, start before you're ready, get your foot in there and everything is figureoutable from there.

Matt Bowles: All right, what would lesson number two be?

Dr. Rachel Gainsbrugh: Lesson number two would be *Your tax filer is not your tax strategist*. And so, tax strategy as it relates to real estate is very important and we have some incredible benefits out there right now for those who are investing in short term rentals. I'm not a CPA nor do I pretend to be on to be one, but it's really important that you partner with CPAs that are well versed with real estate strategies so that you can take advantage of what's available to you. Because I really believe best way, especially for those who are making a good income, the best way to make more money is not like Rachel and her husband who are working six jobs. No, we want to keep the money that we already made so that you don't get a big tax bill for \$47,000 when you weren't expecting it. Ask me how I know that is.

Matt Bowles: Such an important piece of advice and I talk about all the time the multiple profit centers that are activated for you when you buy and hold rental property. And the tax strategy is such an important piece of that. So, I completely agree. I love that piece of advice. And then Rachel, what would lesson number three be?

Dr. Rachel Gainsbrugh: Lesson number three would be AI is your newest hire. And I know back then there was not a ton of AI available to us, but for those of you who are skeptical, who are not quite sure if you can do what you absolutely can. Between leveraging AI and maybe support from a virtual assistant a couple of times a week, it's again, it's so figureoutable AI as a member of your team that is your newest hire. It's not just there to help you to rephrase your emails so you don't sound too angry. It's there to help support you throughout every single portion of your investing strategy. As a matter of fact, I have an attorney that we would, we would pay quite a bit of a retainer to work with him. But now we can draft our needs on AI, send it to him and get a nice hefty discount because he's like, oh, you're almost there and he, he finishes the last 10%. So don't forget to leverage AI and in some of these activities because it's really helpful.

Matt Bowles: Awesome advice. Rachel, at this point, can you share a little bit more about [Short Term Gems](#) and some of the coaching services that you offer and what it would be like to work with you, who would be the right fit to work with you and so forth?

Dr. Rachel Gainsbrugh: Yeah, absolutely. So, I cut my teeth on healthcare and Medicine. So, we primarily work with those who are in the medical profession. Oftentimes we get engineers that want a bit of the action as well, especially those who are facing massive tax bills. So, if you are in the position where you feel like okay, if I don't do something different, I'm going to be hit with a massive tax bill, We're here, we're happy to help. What we have is a couple of offers. We've got a do it yourself offer as well as a done with you offer. And it's typically anywhere from three months to a year. And the goal is to get you to get you to two cash flowing properties that help you to save massively on taxes.

Matt Bowles: I love that. And then you also, I understand have some completely free resources that would be available to anyone. Can you share what those are, how people can get them and also any other way that you'd like people to connect with you if you're on social media or how you'd like people to come into your world?

Dr. Rachel Gainsbrugh: Absolutely, yeah. We have free resources, free trainings, a free community. All the things to make sure that our community is aware that you don't have to do it like Rachel and work five jobs with her husband. The job that you have right now, if we can position you in a better way with tax savings, you're you should be fine. So, the best way to get to connect with me is go to 75gems.com. That's where you'll get my Top 75 cities with the highest profitability for short or midterm rental for 2026. Grab that list and once you grab that list, we'll route you to all the other places and all the other regions resources that we have in store for you.

Matt Bowles: Amazing. We are also going to link that up in the show notes so we'll have that direct link right there as well. You can just go to the show notes click on it directly. Rachel, this has been such a fantastic conversation. Thank you so much for coming on the show.

Dr. Rachel Gainsbrugh: Thank you so much for having me.

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