

Ethan Waldman's Journey to Freedom and Simplicity

LESS HOUSE MORE MOOLA

We help the tiny house community use their lower housing costs to build financial independence.

With Laura Lynch



Full Episode Transcript

With Your Host

Laura Lynch

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Are you ready to break free from a conventional life and achieve financial independence through your version of tiny living, but you're feeling stuck trying to figure out the money part? Does the pressure to conform to societal norms make it even more difficult to embrace an unconventional lifestyle?

Well, you're in the right place.

I'm Laura Lynch, host of the Less House More Moola Podcast, where every Thursday, I'll bring you captivating interviews with individuals who have successfully made the transition to tiny living. They defied expectations and are thriving in their unique lives.

We'll also dive deep into industry resources to address common financial concerns on your tiny journey. Together, we'll explore the emotional and practical aspects of pursuing an alternative lifestyle. I'll describe a clear framework for project planning and cash flow management. Our goal is to intentionally build financial security and make a positive impact through our alternative American dream.

So, gear up for an exciting and empowering journey to create a life that truly resonates with you. Let's dive into today's episode and take the first steps towards financial independence and purpose through tiny living.

Laura Lynch: Ethan Waldman, thank you for joining the Less House More Moola Podcast. I'm super excited to talk to you today.

Ethan Waldman: Hey, Laura, glad to be here.

Laura Lynch: So, listeners, Ethan Waldman is maybe a little bit of tsar of tiny houses. It seems like he's got the entire empire, the blog, the podcast, the books, the guidance, the multimedia experience to teach you how to get through the process.

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And especially around building, which I think is really valuable because we are very focused on sweat equity in my household, and really adding value through our own work.

So, I'm so glad that you provide that guidance to people so that they can build their own sweat equity.

Ethan Waldman: Yep.

Laura Lynch: Good, well, we'll get to all the places that folks can follow you here at the end, but I definitely wanted to talk to you about your history and also your ways of pivoting into tiny.

And then the way that you've actually turned that into a business, because I think so many people that are considering tiny living are thinking about how they can shift other parts of their life to align more with their values. And so, often that involves entrepreneurship as it has for you and I. So, I'm super excited about that.

So, if you would, Ethan, would you share with the listeners your backstory, where you came from, and how a tiny house became a goal for you?

Ethan Waldman: Yeah, let's do it. Let's see ... I think I first saw tiny houses sometime in late 2011, early 2012. I was exposed to it through Tammy Strobel and her blog, RowdyKittens. Her and her husband, Logan, hired Dee Williams when Dee had a construction company. And it was one of Dee's first kind of builds for a client, was their tiny house.

But my backstory is that I graduated from college in 2007, right before the huge mortgage bust housing crisis. And so, I kind of graduated into a rough job market and I was lucky to get a job, but I kind of witnessed this turmoil in the housing market all around me.

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And I think it really colored my feelings about home ownership. And I know it did the same for a lot of people my age. Just seeing people kind of lose their homes and be underwater and all that.

So, with that as the backstory, I was a couple of years into my corporate career, and I wasn't really enjoying the lifestyle. You know, being in a frigid air-conditioned office, not seeing the outside.

And I was living in Vermont already and this is such an outdoorsy place. And it's also like when it's nice here, it's incredible, but most of the time, it's not that nice. So, you have to be available to catch that powder day and go skiing or to go hiking on that beautiful summer day.

And I was just feeling like the corporate grind was not helping me live the life that I wanted to live. And I had already explored and was on the entrepreneurship path. I had an online business called Cloud Coach, and the idea is that I would work with small business owners to help them use technology in their businesses.

And it was going okay, but it certainly wasn't replacing my job's salary in any way. And so, it almost felt like I had these two slider knobs. It's like I could try to raise up my income until it met my expenses, or I could just lower my expenses until it met my income.

And the idea of building a tiny house on wheels, it just kind of clicked at some point for me that, "Wow, I could do this with the savings I have on hand." At the time, I thought that I could do it for about \$25,000.

Of course, these are 2010, 2011, 2012 numbers. This is all very different now, you might want to just double anything that you

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hear me say. And I would do it myself, which was something that I also had always kind of ... I always just knew that I was going to build my own house at some point.

And so, I saved up. I had already had some savings, but I really set a goal to do it. And I ended up leaving my job June of 2012, and I think I picked up my trailer the same day as my last day of work. Yeah, maybe that's the start to the story.

Laura Lynch: Yeah, that's awesome. I love that analogy of the levers or the switches or however you phrase it because that is true. In life, generally, most of us can't have everything. And so, you have to kind of figure out what your compromised points are going to be.

And oftentimes people get stuck in that treadmill of increase income, increase income, increase income, and don't think about that other thing that's reducing your overall cost of living, which gives you more freedom when those things are in equilibrium.

Ethan Waldman: Yeah, and you also see ... like I have nothing against standard-size houses, but I think that the problem is that you fill the space that you are in. And so, I think that there's a tendency to increase expenses, increase purchases to meet whatever level of income you're making.

And so, that's how you can have people living in million-dollar houses, but still they're also broke. They're also living paycheck to paycheck. And so, you could do it in tiny houses too, but I think that a tiny house in some ways forces you to live a little bit more minimalist.

Laura Lynch: Yeah, it's so true. I often talk about in our household, "Do you own the stuff or does the stuff own you?"

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And that's what happens is the bigger and bigger package that we have, the more the culture around purchasing drives you to always be adding more stuff. And then that kind of takes away from anything else you want to accomplish.

So, you built your own, so what did you learn through that building experience?

Ethan Waldman: Oh my gosh, I mean so much. I mean, I learned the physical skills. Certainly, I learned about the importance of keeping a budget.

I didn't do a very good job of estimating the cost of the build and saying ... I knew an overall number, but I didn't have a good sense of like, okay, this is what the flooring is going to cost, this is what the roofing is going to cost.

And so, I just kept splurging on things like standing seam roof or like, oh, cherry floors or jug for cabinets, all these like nice things. And so, the build ended up costing a bit more than I had budgeted at first.

And I was really lucky because I was essentially, able to continue working for the company that I worked for, but as a consultant rather than as an employee. So, I basically continued to fund the project with what I was making.

Laura Lynch: So, you learned the skills and you learned about budgeting. Anything else that you learned about yourself?

Ethan: What I learned about myself? I mean, I think it overall was a really confidence boosting experience. I can be scattered, I have a lot of interests. I can move from one project to another before one is finished, moved on to the next.

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And the tiny house was probably the biggest single project that still, that I've ever done, 13, 14 months of work.

And I think the motivation for that in a lot of ways is like, until you're done with the house, you've laid out a lot of money, but you don't really have something that's worth anything until you can actually live in it.

Laura Lynch: Yeah, I too found a lot of confidence boosting. Once you've built your own house, you feel like you can pretty much do anything, because you can take care of yourself at that level.

And I think it also just teaches you one little bite at a time, just one day showing up over and over again, awesome.

So, your friends and family watched you do this during a time when it was kind of a rare idea, that was back in a time when it wasn't all over HGTV. So, what were they saying to you?

Ethan Waldman: My friends and family were really supportive of the idea and I'm grateful for that because as you said, this was not a time when tiny houses were mainstream. When you said tiny house to someone, they didn't understand what that was.

I mean, now you say tiny house and most people are like, "Oh yeah, I've seen the shows," they have a picture in their mind. I'm grateful that people were supportive because I think that if there had been any big detractors in my life, it might have talked me out of it.

But I think that especially at the time it was an easy sell. It's kind of like, "I'm going to build this thing that I can live in." I think I figured my payoff was like, if I could live in it for two to three years, then I would recoup the rent that I would have spent otherwise. So, just didn't feel like that big of a risk.

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Laura Lynch: Yeah, good, family support is really important. So, you were getting questions from folks all during this, which kind of sparked some of the idea around what you do today. What kind of questions were you getting from people?

Ethan Waldman: I mean, I was getting a lot of technical questions. I started a Facebook — well actually I started a blog. I registered the domain that I still have, thetinyhouse.net. And I was following Macy Miller at the time.

We were kind of neck and neck in our builds, and she was doing just a wonderful job of documenting her build. And I was like, “I'm going to do that.” But I quickly figured out that, I think I'm a decent writer, but I'm slow and it's really energy intensive.

And so, writing a daily blog about the work that I had done on the house, it just was not working for me. So, I created a Facebook page and I just started posting basic photo, construction progress and updates.

And by the time I was done building, that page had over 5,000 likes, and I wasn't doing any intentional promotion of it. This was of course at a time when having a Facebook page with a lot of likes actually meant something.

But I would get a lot of questions through Facebook, a lot of why questions. “Why did you choose this type of installation over a different installation? What is that house wrap that you put on? Why are you doing this? How are you doing that?”

And so, I saw that there was a lot of need for just a very logical progression through the decision-making process.

And so, it was a couple of years later, I think I released Tiny House Decisions, the first edition in September of 2014. So, I guess I had been in the house for close to two years at that

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point. But I certainly worked on the book probably for a year, year and a half.

And the idea is that it is a guide that helps you through the planning process. It's not really a construction manual per se, because I was and am an amateur builder and so I don't try to get into the technical things.

But I do think I do a really great job of helping people go through and say, "Okay, what size, what type of house, what construction method, what insulation, what hot water heater," those kinds of things.

All those systems, all that planning that is quite a lot of decision making for any house.

Laura Lynch: We have this term that floats around in the world these days, "decision overload." And I can see how people could get mired in analysis paralysis, especially when you don't have any context, having never done it before.

It's probably really hard, people have a hard time moving forward with their decisions because they don't feel any self-efficacy around making construction related decisions. So, they have to have someone to kind of partner with them on that journey.

So, you have the book and then what are all the other ways that you're helping the tiny living community?

Ethan Waldman: Well, I would say the main thing that I give to the tiny house movement and community is my show, which is the Tiny House Lifestyle Podcast. It's a weekly interview show that I've been doing since March of 2018. So, we're in our fifth year.

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I don't think I've ever missed a week. So, there's, at the time of this recording, 272 episodes of the show covering just about every topic that I've come up with. And I'm always looking for suggestions.

You know, "Have you had somebody on the show who converted a giant potato into a tiny house?" I'm like, "Yes, actually I have."

Laura Lynch: That's awesome. So, what's the best story from all of your interviews or people that you've known or worked with?

Ethan Waldman: Oh my gosh, there are so many, it's hard to say. I interviewed this couple a year ago that basically live in a tiny house that's on a floating dock in the middle of a reservoir.

And the house is tethered to the shore with two long ropes, but they have to take a boat to get to it. And it's the coolest thing ever. So, things like that just really unique living situations, are kind of ones that inspire me.

Laura Lynch: For sure, it's like they have a giant moat around them.

Ethan Waldman: Yeah, exactly.

Laura Lynch: Awesome. So, do you think it's easier for folks today to get started with this, or to build their house than it was when you did it?

Ethan Waldman: Yeah, I do. In addition to my resources, there's so much out there. I mean, there are countless builds on YouTube. Like you can watch someone build a tiny house from start to finish on YouTube.

There are more educational resources, there are way more professional builders. So, for somebody who isn't interested in

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building their own house, there are way more options, and then there's also intermediary options.

There are shells that you can buy. So, essentially, the outside is finished, but you finish the inside, there are used tiny houses you can purchase.

When I did mine, there was only one company selling plans, which was Tumbleweed Tiny Houses and now, there's just countless plan sets. Yeah, so there's a lot of resources out there and it is easier to get started.

I do think that the one biggest challenge now is that I think the costs have gone up and they've gone up faster than inflation.

Sure, you could take my \$25,000 in 2012 dollars and I'm sure with inflation, it's probably more like 30, 35 now. But the cost of construction materials, the availability and cost of professional builders, all that, have gone up quite a bit.

Speaker1: For sure. I feel like the legal landscape too is a big challenge and you addressed some of that in the tiny house parking book that you have.

And I think that's just moving so fast and there's so much changing all the time that you really have to have your finger on that pulse. If you're looking in that direction though, you don't need to know the whole country, you just need to know where you're going to be.

Ethan Waldman: Yeah, and the legal stuff has also progressed a lot in the favor of tiny houses. States and cities passing tiny house friendly ordinances., it's a double-edged sword of course, because with increased regulation, it makes your build more complicated and probably increases the cost of doing so.

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But it comes to the benefit of you because then you can potentially be living 100% legally in a house rather than kind of ... when I was doing it, it was more of like, let's see what we can get away with. Let's hide out in the backyard here, and we're going to just do it, however. I'm going to build it however I want to build it.

Not really, I tried to build as close to building code as I could although at that time, there was no building code that would say that a 140 square foot house with a ladder access loft would be okay.

Laura Lynch: For sure, we flew under the radar too. So, when we built ours ... in our municipality where our tiny house is out west in New Mexico, they had a box on the permit application but there wasn't any way to certify. NOAH, the certifying body was just getting started at that point.

And so, there wasn't really any way to get a certificate of occupancy or to verify the building. And we built it in another state, which is a complicated thing with tiny house on wheels. Oftentimes, you build it in another state from where you want to park it.

And so, it gets kind of complicated when you cross borders, but of course now, things have changed so much that you can at least do some research and figure out how to get as close to the rules as you can.

So, you used your tiny lifestyle to pivot yourself out of this career track that you felt was not a good match for you. And as you look back on your life and that pivot and that jump into entrepreneurship, and going both feet into tiny living and creating your own business, how do you view that now, kind of many years down the road?

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Ethan Waldman: I mean, just with gratitude and happiness, I can't imagine a different path. I mean, I can, I can imagine a path where I stayed kind of in that corporate career and did it and got increasingly more bitter about it.

But I didn't, and so I think that in a lot of ways, I feel like I cheated the system because I have time, like only retired people have time.

And I mean, I work, I do work, but like there's a certain flexibility that the tiny house brought to my life and that kind of living tiny, having my own business, in a lot of ways, it makes your life a lot easier.

It's like you don't have to go grocery shopping at six o'clock when everybody is grocery shopping. You don't have to go to the store, go to the post office. It's just like all these little paper cuts that come along with working that 9 to 5 that, if you are able to reduce your expenses a lot and adjust your work schedule accordingly, then you really gain a lot of quality time back in your life.

Laura Lynch: Yes, and as you know, my podcast is focused around financial security, and really what I am driving for is financial autonomy, which is choice. Enough money to make choices about your life, which is what you have done, and making choices about your time and wealth is so much more than the money in your bank.

It is your time, it is your human capital, it is your energy, it is your attention. Like all of those pieces. And so, do you feel like your tiny lifestyle has increased your wealth across all those domains?

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Laura Lynch: Yeah. I mean, absolutely, across all the domains; the time, the flexibility and financially. I mean, it's pretty darn affordable.

Laura Lynch: Yeah, awesome. So, for people that are still on the fence, I know you're speaking to them with all of your content and your podcast. But people, the hardest thing is getting started sometimes.

So, what is your one piece of advice for people that are still like, "I'm not sure if I can do this."

Ethan Waldman: Yeah, I mean a couple of different things. If you're just not sure that you could live in a tiny house, I encourage people to — there are lots of tiny houses on Airbnb and you're going to pay a pretty penny to stay in one.

But I would encourage you to find a tiny house near you and book it and stay in it for the weekend, and just see how that feels. That can help get over that kind of fear. I would say from a building perspective.

If you're thinking about building it yourself, to try to attend a workshop, workshops are wonderful. Allowing you to get your hands on materials, on tools, see what it's like building, but also, will connect you with other people who are in the same space as you.

So, kind of give you almost an accountability circle of folks who are kind of at the same point in their journey. And it's unfortunate because there aren't a ton of hands-on building workshops anymore.

Derek Diedrickson is a friend of the show, and he does awesome build workshops. I think he's got one coming up this summer in Vermont called Tiny House Summer Camp.

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But another great one is, see if you can volunteer for a local habitat humanity and help out on a build because doing construction is definitely physically, emotionally taxing, tiring.

And if you can get a sense of what it's like before you buy that trailer, then that would probably help serve your research process.

Laura Lynch: Awesome. I think that once you accomplish — you put that hammer in your hand for the first time and you see you can do it right, then you build a little bit of confidence to take the next step and oftentimes, people just come from a place of no exposure whatsoever.

And so, it can seem really scary to do something that you've never done before.

Ethan Waldman: Yep, exactly.

Laura Lynch: So, Ethan, thanks for sharing all of that really important information and your backstory, how awesome. And now, would you tell us all the places that we can follow you and see your work?

Ethan Waldman: Sure. Well, my website is ... it should be pretty easy to remember. It's thetinyhouse.net, and there, you'll find all of my stuff.

But if you are a podcast listener, and I'm assuming that you are, since you're listening to this now, my show is called Tiny House Lifestyle Podcast, and it's in all the directories.

So, whatever app you're using to listen to this show, be it Spotify, Apple Podcasts, et cetera, you'll find Tiny House Lifestyle Podcast there. And I'd love to connect with you.

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Laura Lynch: Awesome. Well, Ethan, thank you again for being on Less House More Moola and we're so excited to continue to follow you and learn from you on the logistics and all the things. So, thanks for being here.

Ethan Waldman: Thanks, Laura.

Well, that's it for today's episode of Less House More Moola. To access valuable financial tips and resources tailored to your tiny living journey, join our exclusive community at thetinyhouseadviser.com.

Here, you'll find a supportive network of like-minded individuals committed to helping each other navigate the challenges and celebrate the victories of embracing a minimalist lifestyle.

So, don't miss out on the opportunity to be part of this empowering tribe. Be sure to tune in next Thursday for another insightful episode of Less House More Moola, where we'll continue to explore practical solutions and inspiring stories to help you create the life you've always dreamed of.

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