

Section 13: Trailers Vs. Foundations

When it comes to tiny houses there are several designs to choose from. Maybe you've dreamed about downsizing to a tiny house on wheels and traveling the country, or you like the freedom of being able to move your tiny house from one location to another, you can do that with a tiny house built on a trailer. Or maybe you like the idea of downsizing to a tiny house on a foundation and living either in the city, country or even off-grid, eliminating all of your unnecessary stuff and keeping only a handful of necessities to take with you as you live a more minimal lifestyle.

Both of these tiny house designs are appealing options for anyone who wants to downsize, but you'll first have to determine which option is right for you, the tiny house on a foundation or a tiny house on a trailer. Everyone has different lifestyle needs and desires, so you'll want to take the time to think about what's best for you. Do some research on zoning regulations where you live, or where you plan to travel. It's also a good idea to talk with various insurance carriers to get a better understanding of which insurance policies will work best to meet your needs. The following are a list of pros and cons to both.

Tiny House on Foundation Pros and Cons

Pros

Cost of Ownership. Purchasing a tiny house on a foundation requires buying land, which should be looked at as an investment rather than an expense. Land can range in price depending on the location and how much you wish to purchase. Over time a tiny house on a foundation has a lower total cost of ownership because they require less maintenance and appreciate in value. Tiny houses on trailers require maintenance (if you are traveling a lot) for the wear and tear of wheels and the trailer itself, and they can also take a toll on your truck that is pulling it, which can also be costly.

Safety. One of the biggest advantages of tiny houses on foundation is safety. Whether you choose to build on a concrete slab or a crawlspace, tiny houses on foundations are safe and sturdy. Unlike a tiny house on wheels, a tiny house on a foundation is firmly rooted into the ground and able to withstand harsh weather and even some natural disasters.

Financing. The options for financing a tiny house on a foundation are relatively equivalent to financing options for a standard stick-built home. If you have good credit and a sufficient source of income, you should be able to find a lender for a construction-only or construction to permanent loan. One problem you may encounter with financing a tiny house is that some lenders are hesitant to give

out loans to houses with low mortgage amounts because they mean less money to make the lenders from interest. You will have to talk to your bank and find out.

Equity. Tiny houses built on foundations provide the owners with home equity. While building equity can be a long-term effort, tiny houses on foundations can provide the owners with that opportunity, unlike tiny houses on trailers, which typically depreciate.

Cons

Lack of Mobility. If you want to have the freedom to move your tiny house across the country to travel or move locations for a new job, then the tiny house on a foundation isn't the right fit for you. Without wheels, tiny houses on foundations don't give you the flexibility that tiny houses on wheels do. Not having mobility can also be an issue if you choose to move at any time.

Buying/Renting Land. If you're planning on building a tiny house on a foundation, you'll need land to build it on. Buying land can be expensive and the total price for land will be dependent on the lot size you choose to buy and the location. One of the issues with renting land is that landowners may end up selling the land that you live on, or ask you to move without much notice. This could potentially cause you to lose your tiny house altogether, or it might force you to spend a lot of money trying to move your tiny house.

Tiny House on a Trailer Pros and Cons

Pros

Mobility. With a tiny house on wheels, you have the ability to travel or move your house to a new location. Your ability to travel in a tiny house on wheels will be dependant on the size of the tiny house. A tiny house on wheels can take advantage of passive solar energy on the piece of land that you are parked and can be moved with the seasons to benefit from the sun.

Ability to Travel. If you dream of traveling, a tiny house on a trailer is the better option for you. Tiny houses on wheels give you the ability to travel when you want. They are perfect for adventure seekers, and those who love road trips and new destinations. Most RV parks are tiny-house-friendly, giving you a place to park your tiny house on wheels while also providing access to utility hookups.

Avoiding Threats From Mother Nature. One of the benefits of having a tiny house on wheels is having the ability to leave an area quickly if there's a potential threat of a flood, forest fire, hurricane, or another natural disaster. Whether you live near in a fire-prone area or a flood zone, tiny houses on trailers give you the freedom to quickly flee an area to avoid disaster.

Convenient for Visitors. Tiny houses are great to use as guest houses for friends and family. Tiny houses can even be used to house friends and family for extended periods of time. If you decided to move, a tiny house on wheels would allow you to continue housing your guest, without forcing them to relocate.

Relocating from Rented Land. If your tiny house on wheels is parked on rented land, there is always the threat of having to relocate, whether the landowner decides to sell the land or to use it for something else. By having a tiny house on wheels, you can relocate to a new location.

Cons

Equity. Anytime you have something on wheels, there's a good chance that the value will depreciate. This is true with most cars and RVs unless they are considered a rare or a classic. When something is mobile, the chances for wear and tear increase, which causes their value to diminish. Land appreciates in value, which is partly why tiny houses on foundations appreciate with it. While tiny houses on a foundation and traditional standard-sized houses often build equity, tiny houses on wheels offer little-to-no return on your investment.

Insurance. For people that reside in tiny houses on wheels year-round, you'll need insurance that covers you while you are on the road, and off the road. This can often be tricky because all tiny houses are used differently, as are the viewpoints of different insurance carriers. Since most tiny houses on wheels are technically treated as RVs, you'll need to have RV insurance, which varies in cost from state to state. Many insurance carriers will also require you have a seal of approval from the Recreation Vehicle Industry Association (RVIA), to certify that your tiny house on wheels was built according to these standards. The best option is to consult with an insurance provider that has experience insuring tiny houses on wheels before you make your purchase or start to build.

Safety. While safety is a pro for tiny houses on foundations, it's, unfortunately, a con for tiny houses on wheels. While mobility does give you the option to relocate when you know about bad weather or natural disasters beforehand, but when you're unaware or unable to leave, tiny houses on wheels can be a safety risk because they lack a solid foundation.

Zoning Regulations. One major issue with tiny houses on wheels is the fact that they're somewhere in the grey area between a house and a recreational vehicle (RV). Most tiny houses on wheels are technically considered RVs, so parking them for extended periods of time must follow strict zoning and permit requirements. However, some tiny houses on wheels can be considered auxiliary dwelling units, ADUs, which are subject to adhering to strict zoning and building

codes like total square footage, ceiling heights, square footage of bedrooms, and more. These regulations and requirements will often depend on the size of your tiny house, and the zoning jurisdiction where you live. So depending on the size of your tiny house on wheels and your zoning jurisdiction, tiny houses fall in a grey area of regulations.

Needing a Truck. To transport your tiny house on a trailer, you have to have something with enough towing power to pull it. More than likely, you are going to need a reliable, heavy-duty truck. If you don't already own a truck, this can be a considerable expense and you'll have to keep up with the maintenance for it as well.

Total Cost of Ownership. In the long run, owning a tiny house on wheels can be costly compared to a tiny house on a foundation. When you factor in the initial costs of a trailer, insurance, needing a truck, wheel maintenance, adhering to regulations, and depreciation, the total cost of owning a tiny house on wheels can be more expensive than you anticipated.