

## Section 3: Owning a Tiny House

Tiny houses are somewhat of a national obsession, which is not all that surprising considering that they are a novel, sustainable way to live, and also they are so adorable. But while the focus of tiny homes might talk about how tiny and cute they are, there are important things tiny house homeowners need to consider.

### 1. Cost of Being Mobile

One appeal of tiny houses is that they're mobile, and can either be towed or put on a flatbed truck and moved to a new location. If you're spending money to meet zoning laws and to buy land, then being mobile may not be as cost-efficient as you originally thought. And unless you can safely tow your tiny house yourself with a truck that is big enough to haul it, you'll have to pay someone else to move the tiny house for you.

### 2. Homeowner's Insurance

There are challenges that are associated with obtaining homeowner's insurance for a tiny house. Tiny houses are absolutely insurable, it just depends on who built the tiny house, whether it is a professional builder or yourself as a DIY project, and how the tiny home is built, whether or not it's on a trailer or placed onto a fixed foundation. Getting your tiny home certified by the National Organization for Alternative Housing (NOAH) may make it easier to purchase coverage from some home insurers, but this is only when the tiny house is built on a foundation. For tiny houses on wheels, you'll want to make sure it's got an RV certification, and try to use a tiny house builder who's RV certified. It's important to let your home insurance agent know all the details on your tiny house, such as how it was constructed, how much it weighs and how you plan to use it.

### 3. Land

Adding the price of land to a tiny house's cost shouldn't be unexpected, but it can sometimes be forgotten if the tiny house is on wheels and you plan to move it. Even if you get a free deal to place your tiny home on your parents' or friend's property, you should also factor in the possibility that you may eventually want to move it. When you do, you may have to pay rent or pay to stay on the property or piece of land of your choice.

### 4. Resale Value

Tiny houses don't appreciate like traditional dwellings. An example is that many people customize their tiny houses for their particular lifestyle, which makes it perfect for them, but doesn't necessarily make it easier to resell. But just as with

all home sales, the value may ultimately come down to the location. If you purchased a tiny house in a highly desirable and densely populated area than your tiny house should appreciate in the same way the market does. Your land is going to have a much larger net value of the total appreciation since the building is small, however, it should appreciate right in line with the local market. Typically any home that is permanently affixed to a foundation will have a better resale value. If your tiny house is on wheels, you'll want to think of it like an RV, which can depreciate like a car.

## **5. Zoning Laws**

The jurisdiction in charge of the land you want to put your tiny house on will likely have laws on zoning, building, land use, and other details. None of these are cheap. Zoning laws and building codes are meant to make sure that a home is safe and in an area where homes are allowed. If your tiny house isn't approved by your municipality, a code enforcement proceeding could be started against you and you could be forced to remove your tiny house and pay a fine. Make sure to do your research first.

And while a tiny house built on a permanent foundation may have one set of zoning codes to follow, a tiny house on wheels that qualifies as a recreational vehicle will most likely have others. An RV on wheels may only be allowed for temporary residential use, and it may be illegal to live in one unless it's parked at an RV or at a mobile home park. You'll need to check your local regulations so you understand the specific laws in your area.