006: Achieving Financial Independence [and Happiness] in Your 30s with Brandon, the Mad Fientist (Transcript)

PT: Brandon, welcome to the show.

Brandon: Thanks a lot P.T. I'm excited to be here. I appreciate it.

PT: I think I first discovered you back when I was researching Roth conversion ladders. You're my go-to expert on that topic so we may get into that some point, but it's a pleasure talking to you. My first question is this, what's the one thing that you do that maybe others don't that's been the biggest contributor to your financial success so far?

Brandon: It's definitely a focus on efficiency. I have always been interested in money. I've always wanted to have a lot of money, and at first there was no real goal for that money. I just liked the idea of having money to manage. And, since I always wanted to have money, I didn't ever want to waste money. I think being a software developer and having that sort of mindset helps as well. If you've noticed, if you've talked a lot of people in the financial independence community, a lot of people are developers or engineers. I think the reason for this is that we're built to be efficient with our money and not waste as much as possible. I think that's the main thing. Secondarily, I think the focus on making sure all of my money is not only not wasted but also contributing to my overall happiness. I think a lot of people, especially in America, are just spending money because other people are spending money on things. They think they're important. But really, they're not. That's another form of waste. Spending money on things you think you want but don't actually make you happier, is also a problem. Those two things combined just means that my spending is very efficient. And that allows me to save a lot because I feel like I can buy anything I want and everything I want. And yet, I don't spend that much money.

PT: What are we talking about as efficient? Put it in common numbers for people.

Brandon: This is actually a pretty funny story. I had planned to quit my job back in 2014 and I actually did quit my job because my wife and I were moving back to Scotland (which is where she's from). We were living and working in the States at the time so I turned in my letter of resignation and I thought that was going to be it but they asked me if I want to stay on and work remotely. Since we hadn't sold our house at the time I was like, "Well, yeah, that'll smooth the transition and make it less stressful." So I did that. All of 2015 I was working when I wasn't expecting to be, so for the first time in my life I was like, "Alright I'm just going to let loose. I'm just going to spend like crazy. I'm not going to worry about anything. I'm not going to do the normal like stressing about every single purchase. It felt like we went crazy. We went and spent three months in Thailand and we were eating out all the time. We moved to Edinburgh and checked out all the new restaurants and stuff and all around our apartment and things like that. It just felt like we were going crazy. I tallied it up with my spreadsheet at the end of the year and it was just over $1,000 more than the previous year. And, it was still under $36,000 for the two of us for the entire year in US dollars. So I think that's like… Like, I realized I'm not good at maintaining my own car which has always stressed me out. I'd always have to pay a fortune to get it fixed and now we're just cutting back to one car and it's a very simple European car that we bought for $3,400 or something. So, it's just figuring out all these places where I feel like I'm wasting money or could be more efficient and then just figuring out ways around it. Sometimes it's just it's the case of big lifestyle changes like having one car rather than two-- things like that.

PT: I love that. There's an intentionality to how you're living your life and then and that affects your finances.

Brandon: Exactly.

PT: I love that efficiency. You have an engineering background you said?

Brandon: Yeah, yeah. I was a math and science kind of guy.

PT: What kind of engineering?

Brandon: I was a software developer. I went to school for computer science. Not traditional engineering in the traditional sense of the word but I have software and computer science background and then, yes, I've been a software developer for my entire career.

PT: How many years was that?

Brandon: Let's see… I graduated in 2004 so, just over 12 years.

PT: Awesome.

Brandon: Yeah, I really enjoyed it but I'm just not good at working for other people and I think that's was the whole reason behind the whole financial independence earlier on.

PT: Yeah.

Brandon: I think it's not because I hated software development but just because I hated having a boss.

PT: Yeah, yeah. Let's go back to that moment. Was that kind of the moment you decided to become one of the "Masters of money?" Is that the moment you wanted to become a master of your money where you realized your career isn't necessarily how you want your life to be, going forward. Take us back to that moment.

Brandon: Yeah, absolutely. Like I said, I was always interested in money so I think that's always been something that I focused on. My parent used to tell me stories about how they'd keep me busy by throwing a coin in the deep end of the pool and how I'd be spending all day trying to get the money off of the bottom and stuff, so I think I've always wanted to be the master of my money. But, like I said before, it wasn't until I realized financial independence was possible that I actually had a real goal. My goal up until that point was just to have a lot of money so I could manage it. I was interested in stocks and I wanted to have a portfolio to manage and things like that but there was no end goal in sight. I've never been a big spender so it wasn't like I wanted fancy boats or a nice car or anything like that. But yeah, once I stumbled upon earlyretirementextreme.com, that's when I really focused on becoming a true master of my money. Then it was like, "Alright, this is a goal I definitely want and I know if I put in the time to do some research I can get there a lot quicker." And that's the whole reason I started the Mad Fientist, because I knew I needed some external motivation to make me do the research that could get me there quicker. That's how that came about.

PT: What year was that? And what was it about Jacob's message that sort of pulled you in?

Brandon: That was probably 2011. Mad Fientist just started in February of 2012 so it was probably early 2011. And I think I found it through *Get Rich Slowly*. And I think that's because that was the first blog ever read; *Get Rich Slowly*. Then that led to *Early Retirement Extreme*. It was just the math. It was just so simple. The idea is so simple and the math is so simple and it all makes sense but nobody thinks of it. And, I didn't think of it. I just I never thought, "Hey, if I save up this much I can withdrawal this amount every year and that's all I need to not have a full-time job." So yeah, that just completely blew my mind. And, I would never want to get as extreme as Jacob is because I think he (at the time when I was reading it) was living on $7,000 a year or something like that and in the Bay Area too! I still don't understand how that worked out but… Yes, so a lot of his message didn't appeal to me but it was just that simple math which was just crazy. It blew my mind.

PT: In 2011 I remember reading some of his stuff at that time as well and just being inspired and sort of like, "Wow, this is a cool new way to think about things," because I hadn't thought about it before. I know some people who discovered, *Your Money or Your Life,* or some kind of other teachings on it, but that was kind of my first exposure to it as well. Let's see. You are 7 years out of university and you said you are naturally sort of good with wanting to save and keep the money and not spending as much, that it just kind of came naturally to you. What was that first big goal you set for yourself in 2011 or 2012 when you came out with, "Hey, this is the math, I am the Mad Fientist and this is what I want to do with my money…"

Brandon: The main goal was that I just wanted to cover my essential expenses. I figured once I hit that point then I knew that I wouldn't have to work. I could cut back my discretionary spending to nothing if I really hated my job. Then it would be a choice, like, "Well, I don't hate my job that much so I want to keep working some more so that I can have some discretionary spending that makes me happy and I enjoy." That was my first goal. I thought, "Okay, if I save up enough so that my central expenses are covered…" At the same time, I was trying to work on increasing supplemental income too. I was writing iPhone apps and things like that on the side. Then my supplemental income could cover my discretionary spending and then technically, I could quit my job. That was my first main goal.

PT: Pause right there. Let's just give people who may not be familiar with Jacobs work and the financial independence movement— give them a quick snapshot of what the philosophy or strategy is.

Brandon: Sure. Save a high percentage of your income so that you could potentially walk away from work early. The basic math behind it is that there have been lots of academic studies saying that four percent is what you can take out from your portfolio every year round about four percent. Adjust that for inflation and you can take that out every year and your portfolio has a very high likelihood of never being depleted. That's something called the Trinity Study which is the basis for that research. And there's been some additional research that's come on top of that. It seems that based on all historical market conditions it's been pretty robust. So that's the general idea. If you live on $40,000 a year and you save up a million dollars, hopefully, your portfolio could sustain you for the rest of your life. That's the basic idea behind it.

PT: So, you said right at the outset, "I want to meet my basic spending needs right in early retirement." Give people an idea what that number was? Can you share that number publicly?

Brandon: Yeah, I don't usually share numbers, but the basic spending I think was somewhere in the like low 20's for the two of us. That was just all of the essential expenses. My wife and I—

PT: So would that be using the four percent? That would be about a $500,000 or $600,000 portfolio for you start pulling from?

Brandon: Right.

PT: Okay, sorry. I interrupted you. You were saying your wife...

Brandon: She's Scottish and I'm American so we've lived on separate continents for—we've been together for 14 years and sometimes we were in school and things like that so we've always had separate expenses. All of the joint expenses come out of our joint account so I was thinking, if the joint account can cover all that, those are all the expenses I was worried about. Because, I can get a library and keep myself busy if I really hated my job. It was never about early retirement for me anyway. It was that I had all these projects that I wanted to work on and I just didn't have the time because I was had a full-time job. For me it wasn't as risky as a full retirement for a 65-year-old person that's not in the peak of their physical lives and potentially not as employable as someone in their 30's. For me, it was never like, "Okay, I'm never going to earn another dollar in my life." That's why it was my first goal. I was like, "Okay, I'm too risk-averse to just quit and start out on my own like some entrepreneurs that I admire. For me, it was just like this nice backup plan. All my essential were are covered so we were good to go and now I would be free to do all these other things.

PT: Yeah. You started the goal in 2011, 2012, what year did you hit that point to where you met those expenses?

Brandon: The essential expenses, I hit those in probably 2013, early 2014. When we moved to Scotland I had already gone past that in my discretionary spending.

PT: That's right. Okay.

Brandon: I had hit the full number by late 2014. And I was like, "Okay, this is good. This is me, done." So yeah, I would have probably been in 2013 at some point. It was amazing. Once I hit that, I didn't hate my job as much. I wasn't as in as big of a hurry because I could quit. It was a choice rather than being forced to do it. And when something's a choice I think it just feels a lot better. I just thought, "Hey, my job is not that bad. I'll just keep doing it to cover my discretionary expenses." Then I hit that relatively shortly after that because I don't have that many discretionary expenses. Then, in 2014 I was offered to work remotely which was even better because that took away all the stuff I hated about my job like the commute, waking up early, being trapped there from nine-to-five, the endless meetings, dealing with bosses and coworkers. I was just able to focus on writing code which was great. So that's why I continued doing that all the way until August 2016, just a few months ago.

PT: Very good. Man, that's exciting. Just frame it more for folks in their mind. Let's say you hit 100 percent at that 2014 mark when you started in 2011, 2012, what percentage of that 100 percent was it?

Brandon: What year again, sorry…

PT: Oh, 2011, 2012 when you decided to go for early retirement. When you looked at it initially, do you remember what percentage you were kind of already at?

Brandon: I can't remember the exact percentage. I have all my spreadsheets, I could try to open them up and just—

PT: Just a roughly. Like, 50, 60, 70, 80?

Brandon: It was probably around 60 percent, I would think, 60 or 70 percent.

PT: Okay. So you could smell it in a way, right? Could you smell it?

Brandon: Yeah, yeah. Exactly. And it was like, I was glad I had those good habits. We had a house at the time with a small mortgage but no debt or anything like that. I had already paid off my student loans, luckily. And that those were small because I went to a state school with in-state tuition which was like $5,000 or $6,000 a year. We got really lucky. We bought a house in Scotland probably around 2005, did it up and sold it 2 ½ years later (as the whole financial world was about to collapse) for over 50 percent more than we bought it for. That was a huge, good foundation for us to build on. So it was within striking distance. And once I went crazy—as soon as I realized it was possible, I ramped up to a 70 to 80 percent savings rate.

PT: Nice.

Brandon: And, yeah, it didn't take too much longer after that, which was great.

PT: Yes. I want to focus on the early retirement period of your life but let's just talk a little bit about the pre-period because I think being getting it up to a point to where you get motivated to early retirement in 6 or 7 years is a feat in itself. Talk about what goes on before discovering early retirement stream. Talk about what you were doing in terms of saving for your retirement. Percentages— let's start with that. What percentages you were saving and where you were saving that money?

Brandon: In the early years it all went into the house. This was actually really stupid. We moved to— I moved to Scotland as soon as I graduated college. And I was like, "I'm an adult now and adults buy houses." My girlfriend (who is now wife) said, "Okay, we'll buy a house." That was the good old days of like 90 percent mortgages and things like that so we are able to get a 90 percent mortgage. We didn't even have the other 10 percent so we borrowed it from my in-laws. We used some of that money to buy a little car as well. We had nothing, but all of a sudden we had a car and a house which could have been a disaster. But, luckily, it wasn't. So, for the next 2 ½ years we just put all the extra money into the house. We did up all the rooms and things like that. By the time it came time to sell, we had done quite well.

PT: Oh, okay. I missed that earlier. I didn't realize you made so much with the real estate.

Brandon: Yeah, like I said, it was dumb luck. It could have gone the other way. We saw house prices going crazy between 2005 and 2007. House prices were going crazy and I said, "Jill, we need to buy the next door neighbor's house. Let's buy it and do it up. These prices are crazy, they're going nuts." Had we bought that then, I think we wouldn't have sold either of them because the day we closed on the house was one of the days that Northern Rock Bank which is a bank over here in the U.K.— there was a bank run. People were literally taking out their savings from the A.T.M. and trying to get their money out. I was stressed out because we had done so much. We got this offer (that was perfect) and luckily it went through. But, had we doubled down, I think we would not have done well on either of them.

PT: Did you take that money and buy another house or start renting after that point?

Brandon: When we sold the house we moved to the States which was also really lucky. At the time, the pound was $2.12—one pound equals $2.12 which is the highest it's ever been. We actually transferred a chunk of the money to the States and the rate we got was 2.97 which was just amazing so we put a chunk over there and we kept a chunk in the U.K. because we thought if we come back we'll probably want to buy a house again so let's keep some money here. I also wanted to invest. My dad bought me four shares of stock when I was a kid and I would look in the paper in every day to see what the prices were at and stuff. And now that we finally have money it was like, “Let's invest it.” So we searched the internet for an investment advisor and just picked a name randomly. A guy came over and was talking about how he was going to take us out golfing and all that sort of stuff—just the typical, making you feel like you're in the big league now. Then he showed us all the funds that he was going to invest in for us. They all were the best performing ones over the last 6 months or something. He said, “Look at these things, they’re on fire.” And we were, like, “This is great!” So we put a chunk of money in it and luckily it wasn't as big as we had initially thought we were going to do, like half-and-half. We ended up transferring more over to the States and then putting less in. Then it tanked. The whole world, as you well know, in 2008, less than half the value in a very short time. Then I started learning about stocks and learning about the high fees that we were paying—the ridiculous fees. The fact that we couldn't take it out in 5 years, otherwise we'd pay an insane, early surrender fee. It was just a nightmare. It was awful. After four years—I was just counting down until the 5 year period was up—

PT: So it was it was a Roth IRA?

Brandon: No, no. This was just with a random U.K. investment advisor.

PT: Alright, yes. So that particular institution had a 5-year minimum or whatever.

Brandon: Yeah, right. Like, if I took it out a year early it was like 2 percent we would get charged. If I took it out 2 years earlier it would be 4 percent, 6 percent—it was just crazy. Luckily, we didn't panic. Eventually, the market went back up and we got back up to what we put into it. Finally, 4 years into it, I didn’t care. I was going to pay the 2 percent, one-year early withdrawal fee. Then we couldn't find the guy! We had trouble getting in touch with the mutual fund company that the money was in. This guy could have just taken all that money, for all I know. That was an early lesson— to never trust anyone else with your money. From then on I decided I was going to do the work myself and really figure this stuff out.

PT: Yeah, yeah. Okay, very good. So there was a lot of money from the real estate. Was there any sort of early retirement savings you were doing through a company for 401k or anything like that?

Brandon: Yeah. I always took advantage of the company sponsored stuff in the U.K. It’s like a personal pension (which I still don't really understand) but I'm really angry that I have it because now I have this thing that I really can't touch. Like, in America, I write about all the ways you can get your money out of your retirement accounts early. But in the U.K. this stuff is locked in there for good. So I did start with that, and then every other job I’ve ever had, I've taken advantage of 401ks and 403b's and things like that. After doing even more research on all of it, it's such a good way to really ramp up your savings while you're working. And, for people who do plan on quitting early, your income goes down and then there are ways to get that money out for very little tax with no penalties— and sometimes no tax at all. I definitely recommend that.

PT: Your side obviously has a good bit of information about how to do that as well. Let’s go to the early retirement focused, 100 percent laser-focused, time-of-your-life, between 2011 and 2014, roughly. You said you were saving 70 to 80 percent of your income? Like, that's insane. For some people that would be crazy. Were you just making so much money that it was easy? Help define that for us. How were you doing that?

Brandon: I was making a good salary. Anywhere between $85,000 to $95,000 was probably the path as far salary goes over that time. I never got any huge raises. That was a good wage. I was working in New Hampshire and living in Vermont. So, low cost of living. We had a 1,400 square foot, two-bed, two-bath house with five acres. It was beautiful. It was a really nice house but our mortgage was only like $580 a month or something like that. And I took the free bus to work. I worked for a university that offered a free bus for their employees and things like that. And my wife also works so our expenses were in the low $30,000 something—maybe, around there. And yet I was making $90,000 so it was quite easy for us just because we've never had huge expenses so wasn't a big change. We did make some changes. I had leased a Toyota Rav 4 and that's a long story and it's stupid, so—but we ended up leasing a Toyota Rav 4 because we were moving to Vermont and we needed a good snow-worthy car. We literally moved from China back to the States and then had like a few days before my wife started work in Vermont. We couldn't source a used car quickly enough and decided just to lease it for a few years and then do something else. Once I realized I wanted to have financial independence as quickly as possible then it was like, "Well, we're getting rid of that and getting a used car." Besides that, there weren't any major changes that we made. I did take it too far and that was the biggest thing I did wrong, I think, on the whole journey. At the same time, I went back to school to get a free Master's degree. I was working from home at the time in Vermont when I realized there was an Ivy League school just across the road. I always planned on going back to school. I always wanted to get a grad degree just to see if I could meet the challenge of doing it. So, when I started looking into it, I asked if employees could get a free or reduced degree, and they could, so I applied for a job at the university and got it. Then I did a Master's. It was around this time that the mad fientist was taking off. I was doing a Master's. We were living in the woods in Vermont and I was trying to save all the money I could. We really isolated ourselves which wasn't really good because my wife's from Scotland and all of her family and friends are across the ocean. I didn't want to go out and do anything and meet new people or anything. I had so much work to do and staying home and doing all this work saves more money than going out and just blowing money. So yeah, there was a couple year period there where it wasn't good for either of us, and I definitely took it too far in the savings direction.

PT: Hermit-like, yeah.

Brandon: Exactly. It wasn't good for either of us. That was another reason we decided to move to Scotland. We're ready, let's just do it.

PT: You value family and value relationships more.

Brandon: Exactly. And that's something—when it goes into deprivation, then what's the point? Trading today's happiness, for tomorrow's happiness, makes no sense. You need to try to work on happiness the whole time. And if it takes you a few more years to hit that high, then I think that's worth it in the end.

PT: A real quick sidebar… what did you get the degree in and where was it from?

Brandon: it's from Dartmouth. There were only a few programs that you could do part time so I got a Master of Arts and Liberal Studies which I still don't really understand what that is but Liberal Studies, to me, implied that I could take a lot of really weird classes if I wanted to. And that's what I did. I took quite a few classes. At the business school, I did real estate investing which (taught at business school) was the original M.B.A. program and it's one of the best business schools in the country so that was really cool. I did the Theory of Finance in the Econ department. I did internet marketing at the business school.

PT: Nice!

Brandon: Yes, it was good. I already had my financial independence goal before that so I was not going to use this for my resume or so I might as well just have fun with it. Yeah, it was a lot of work but I'm glad I did it now that I've done it. But, at the time, I was really tired. I was like, "Man, this is a lot of work!" When I first started that job I was wondering why everybody was not out getting a free degree. This is crazy. This is a free Ivy League degree! Then, once I started the program I understood this was why nobody was doing it. It's like actually a lot of work.

PT: That's an interesting take. There's a lot of people out there who would like to do something like that maybe have not thought about going to work for the university where they want the degree from.

Brandon: Yeah, it was a great way to do it.

PT: At least shooting for some kind of discount or something. When did you buy the $3,400 car? Was it when you got back to Scotland?

Brandon: Yeah, so over here it's called Honda Jazz which I think is like the equivalent of a Honda Fit.

PT: Okay.

Brandon: Yeah, we moved back over to Scotland and I hate cars. My wife doesn't really care about cars and it's the best car I've ever owned. I love it so much. There's so much space. It's so simple. There's like nothing to it. And yeah, it's just been a great little car so hopefully, that's the last car we ever have to buy. I'm hoping for the whole Uber autonomous revolution. Hopefully, I can just them from now on because I don't like driving either.

PT: Yeah, I think I'm moving toward that myself. I've got a 2002 Honda I'm holding on to. I live in the suburbs of D.F.W., so it's a little harder for me, I think. But there is certainly Uber here. I could do it. And we are we have two vehicles so it may be in my future more so than going—

Brandon: I'm excited to see Dallas.

PT: Oh, yeah. You'll be there next fall.

Brandon: Yeah, we're going to make the trip out. I'm so looking forward to seeing your hometown.

PT: I'm excited to show it off. Let's see what did that feel like to get your portfolio to a level where you're saying, "Okay, the 4 percent rule. I can kick rule can kick in now and live off this the rest of my life if I wanted to." What did that feel like?

Brandon: it was totally anti-climactic. And it actually increased my (what now looks to be) depression at that time. Like I said, we were so hardcore about it and I we had totally isolated ourselves. I could tell I was getting unhappy but I don't think I was really aware of how bad it was getting. And it wasn't until my wife had pointed it out to me and that's when I realized that was not the right way to go about it. I think, up until that point, I figured I'd be happy once I hit my number or I'll be happy once I quit my job or something. Then it was just another number on the screen. It was no different than it was 3 months ago when it was a slightly lower number. It was the happiness that I thought would just arrive and didn't because I hadn't been taking care of all the things that I should've been taking care of to have a happy life. It was just totally secluded and focused on work rather than people. When I crossed that line I thought I would be happy but nothing was different. It was only when we made our move when we sold our house in Vermont and moved to Scotland that we started focusing on relaxing a little with the spending and just focusing on doing things that increase our happiness. Once that happened, I started feeling the benefits of it. Like I said earlier, I feel like I can just spend on everything and anything I want. It's not that much and I don't have to work for that money anymore which is just incredible. My wife and I just got back from a 3-month trip around the world, starting at FINCON in San Diego as the kickoff. We just went all the way around and just got back a few days ago. It was amazing to be able to do that. Obviously, we wouldn't have been able to do that otherwise. But I'm also really excited to be back now and get started working on these projects that I've been planning for a long time. So I'm going to be busier than I was when I was actually in a full-time job. But it's all stuff that I'm like excited to get out of bed for it which is really cool.

PT: That's great. You give me so much material to pull from. You've been so generous with your time. Is the post you've written, the article you've written about your trip around the world and how you did that living off of $20,000 or $30,000 a year?

Brandon: There isn't, but there will be. I've kept track of everything. I'm really big into travel hacking so all of the flights besides maybe one or two were all paid for with Miles. The cost of living in most of the countries we visited was lower so I think it was actually— I haven't done the actual tallies yet but I'm pretty sure it was lower than living just full time in Edinburgh was the previous three months.

PT: Awesome.

Brandon: Yeah, so there will definitely be a post on that. If I get it out before you post this, I'll send you a link. Otherwise, I'll leave a comment on this in your show notes or something once I eventually get around to it.

PT: Yeah, yeah. Okay, we'll get it in the notes. People are probably kicking me to ask you what the heck you invested the money in during those couple of years where you were saving so aggressively. What are the tools you were using? What are the investment tools you're using, the funds you're putting your money into to make this happen?

Brandon: I'm fully invested in stocks. It goes back to that thing I said before where I don't envisage ever not making another dollar again. I'm happy taking on more risks and not having bonds in my portfolio especially with the current interest rate environment things like that. So I'm fully in stocks, all index funds. Right now I have a bit too much cash so I'm a bit cash-heavy and I need to deploy that, but I still struggle with trying to time the market even though I know better in the math says I shouldn't. That's the one thing I can't shake so I have automated investing set up so that I'm slowly dwindling it down but I know it's better to just lump-sum invest but I just can't I can't pull the trigger. I'm a bit heavy in cash right now. I want to get up to about 10 percent total international stock market.

PT: Okay.

Brandon: Then the rest is just total stock market index fund VTSAX with Vanguard. And I have some in Fidelity because that's what my 401k and 403b with my previous job is in. And I haven't moved it to Vanguard yet because it's a low-cost index fund and it's doing the trick. Total Stock Market Index Fund. Ten percent total international stock market index fund and too much cash right now but hopefully I'll with that soon.

PT: And during those years were you— obviously you were using the 401k, maxing that out and doing a Roth IRA as well and the rest was in taxable accounts? How are you doing it?

Brandon: Yeah. I worked for a university so they have a 403b rather than a 401k but it's similar. It's just for a non-profit. I maxed that out but I was unable to contribute to a traditional IRA due to my income so I did a Roth. I maxed out my H.S.A. which is also a great retirement account if you don't use it immediately for health savings or for health expenses. I have an article on my site called, *The Ultimate Retirement Account* because it's amazing. You can get out of paying FICA tax as well which is great so it saves another 7.65 percent. So I maxed that out. Then when I started earning side income I maxed out a SEP IRA as much as I could. I wasn't earning much profit on the side but I still contributed as much as I could possibly do to that. I absolutely love tax advantage accounts. That really helped juice those few years.

PT: Yes, and I highly recommend the Roth conversion article on your site. You have an info-graphic about it which talks about if you're in your position—how old are you now?

Brandon: Thirty-four.

PT: So obviously you're not 59 ½ yet so you can't start pulling some of those funds out of some of those tax advantaged accounts, so you've got some strategies to use to deploy some of that money earlier. I don't want to I don't get into it here, but I think it's good stuff so check it out if you're serious about doing that. Where was the wife kind of a board with this issue? Is she still working? Was she working during this time? And is she on board with Fi?

Brandon: We were complete opposites. She was a huge spender when we first met and for the first 5 years of our relationship. Luckily, she made a similar amount to me, and like I said, we had always kept our finances separate and then just contributed equally to the joint account. So, all of our joint expenses were shared. But then she was left to spend as much as she wanted with what was left, and I was able to save as much as I wanted to with what was left of mine. She's an optometrist and she just loves eyes. She just reads about them all the time and she loves studying and getting better at her job so, when I stumbled upon Early Retirement Extreme, I was like, "Look, we could quit!" And she says, "But I don't want to quit. So why am I going to live on $7,000 a year and live in a trailer?" So she focused on all the crazy extreme aspects whereas I was just focused on the math, saying, "Wow, this is possible." That put her off completely. She's like, "Well, I love my job. So why am I going to live this terrible existence and not spend any of my paychecks when I know I'm going to have another paycheck around the corner because I don't want to quit." Luckily, I didn't try to push it. I think if we had combined expenses it would have been causing fights and things like that, but I said, "It's your money, do whatever you want with it. I'll do with whatever I want with it." But then, slowly, she started reading all my Mad Fientist articles and listening to my podcasts and hearing it from a different angle from somebody else that's not her nagging husband. We sat down—she says it was on our honeymoon—I think it was somewhere around there when we got married after dating for like 12 or 13 years. We were on our honeymoon and I asked her, "What is your perfect life like? We can really do anything, so what does your perfect life look like?" And she said, "What do you mean what's my perfect life look like? I think that's a ridiculous question. People just work, then they retire and this is a normal set path." But we really talked about it for like weeks. It wasn't easy to figure out. We realized it was like seeing friends and family more, having more time to travel since our family and friends are on different continents like spending time in the States and then spending time in Scotland. All of these things. Then, once she realized she could still keep working and do what she loves but having all of that money will provide more freedom to do things like what we just did. Like, she's going back to work in January but she just took 3 months unpaid leave to travel around the world with me. Had she not had all that money sitting in the bank, she wouldn't have been able to ask for that. She just went into her boss and said, "Hey, I'm going on this 3-month trip and I'd love to come back at the end of it. If you can make it work out, that's great. Otherwise, I'm going to have to turn in my resignation." Whereas, if she was just living paycheck to paycheck she would have had to ask and they would have definitely said, no, because it was a huge hassle for them. So yeah, once it was framed in that way and then her hearing all these people saying how great their lives are when I interview them on the podcast and things like that and hearing it from different angles, it was like an overnight thing. She just switched and completely changed. She spends less than I do now which is crazy. There is a post on my site called, An Unexpected Guest Post and it was just something she wrote one day when we were living in Vermont. I guess she just had this epiphany and wrote me this letter. Then, after a few months of me like begging her to put it on the website she finally got me to put it on Mad Fientist because I believed there were many couples that must have be struggling with this and it (her letter) was such a raw view of her emotions and what led to that transformation. Had I tried to make that transformation happen she would have rejected it, I'm sure if I was nagging or something. But since she came around to it naturally and it was framed in a way that was important to her rather than just the numbers… Yeah, so she's fully aboard now. I actually just interviewed her for my show just to see what she actually thinks about it. That was fun to actually make sure she's loving this new lifestyle and not just tagging along with my crazy ideas.

PT: I'm going to quickly pivot to the future but one quick question; is there anything you're still bad at terms of your personal finances? Something, some area you haven't mastered?

Brandon: Yes. Yeah like I said, the whole market timing thing. So much research has been done that lump-sum investing beats out dollar cost averaging, and if you have a lump sum you should put it in right away. I'll do stupid things. Like, if I'm going to invest, I'll say, "Oh well, if it gets down to (whatever) like 107.15 because 15 is my hockey number, then I'll do it. And sometimes it goes up and then it doesn't hit that point. It just keeps going up—it's just stupid market timing things like that which is why I've set up automated investing with my taxable account. It was always automated with my tax advantage accounts but I set it up for my taxable account. I just paused my automated investing a few weeks ago because I'm anxious and don't want to invest right which is so stupid because I don't know where the market's going. So yeah, that's something I'm still struggling with. I had solved it with the automated investing but now I just screwed myself over a few weeks ago.

PT: Yeah, it's so hard not to think that we're at the ceiling, right? That we're at the highest levels ever in terms of the US stock market?

Brandon: Yeah, but in 2012 I could have said, "Well, the markets have gone crazy. Surely they're going to pull back now. In 2013, I thought they were definitely pulling back. Then in 2014, it's like… Yeah, so you never know. But that's something that's a huge thing I struggle with. And it's really hurting me. That's why I have so much cash right now because I I'm not deploying it properly which is stupid.

PT: Well, good luck good luck with that. So quickly, let's talk about the future. What is a big goal that you guys have set for yourselves going forward? How are you going to achieve that?

Brandon: As a couple, I think we're going to try to figure out a perfect life version too because we've tested a lot of things in that initial perfect life and we realize that that's not actually what we want to do. We thought we wanted to travel for 3 months a year but 3 months is too much for us. We wanted to spend 3 months in the States visiting friends and family but it's too much to impose ourselves on other people for that long. All these things that we've actually started trying out, don't work, so I think we will try to figure out a version of the perfect life—version 2.0. But I don't think we'll ever figure it out. I think it's always a moving target and we'll just do what we think makes us happy at the time and just adjust. As for personal goals, I have so many things that I want to accomplish. There's a lot of software I want to write for them at Fientist. I have the file laboratory which is just a way to track your progress to financial independence but there are so many things that I want to add to that and still use my software development skills. And there's some travel software I want to write as well. So next year is going to be focused a lot on that. And just continuing on with the Mad Fientist, it's just been an amazing ride. As you know, you've met all these incredible people at FINCON and other places—the people that you meet around the world with these common interests is just fantastic. I'm trying to meet more people in person because emails suck. Having a beer with somebody and learning someone's story is just fantastic. I'm trying to do more of that as well.

PT: Sweet man. Well, I look forward to meeting you again in the fall but before we go, one more question. Looking back over this journey of yours designed to master your money, maybe even back to when you and the girlfriend the time (who is now your wife) hooked up, buying the first house, the ups and downs of that all those decisions, moving back and forth between continents. When you look back on it all now, how do you feel about your journey so far?

Brandon: I think it's been great. Except for that little 2-year spot when we were getting pretty isolated, I think everything else has been fantastic. I think moving continents has been great for keeping stuff at bay. There's nothing that will keep you from buying stuff then trying to sell everything you own before moving to another continent. You never want to buy anything again. I've done it twice and now we're renting furnished places because I just can't even think of buying like another sofa that I'm going to then turn around and sell again in 3 years or something. Yeah, even all that stuff—moving back and forth, it's been great. Besides the 2 years in Vermont that was pretty low, I think it's been fantastic.

PT: Well, that's great. And this has been fantastic too, having you on. I appreciate you lending your time for working folks to find out more about you and what all you have going on.

Brandon: Yeah, the best place is the madfientist.com. I made up the word so I should be the only fientist on Google, at least as far as I know. So yeah, madfientist.com. Everything's there. I'm in the process of redesigning the site so hopefully it will be easier to find stuff including this whenever this episode goes out. Thanks a lot for having me on PT. I really appreciate it.

PT: And it's one of the best podcasts you have, with one of the best intros out there. Everyone needs to go and check out his intro.

Brandon: Thanks, my brother will be happy. My little brother did that for me.

PT: It's good stuff, good stuff. Well, thanks for being on the show.

Brandon: Alright buddy. Take care.