

EXPAT INSIGHTS

Sail Away On FIRE

Life on a Boat - An Unconventional Tale of FIRE
& World Travel



NOMADIC FIRE

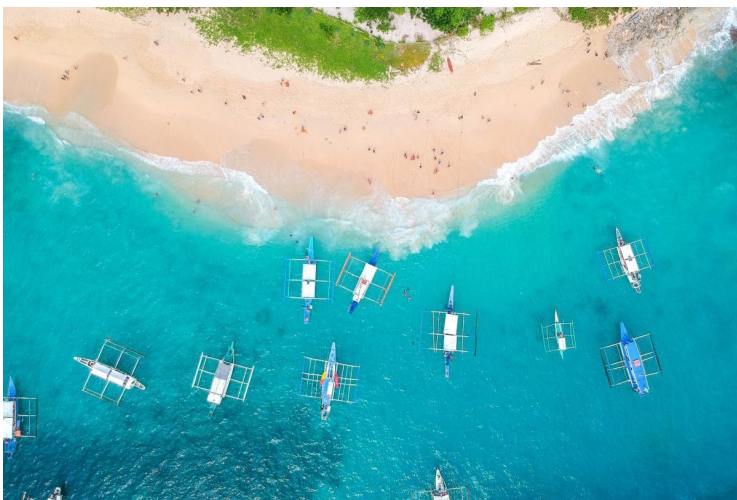
Real-life stories of retired life on a boat

The smooth rippling sounds under the bow of our boat are interrupted by a splash as my good friend and Captain, Austen, drops the anchor. I'm enjoying an earthy local Pinot Noir on the wooden deck of a 50 foot, 33,000 pound yacht christened, the Shawnee. Am I on one of my trips crossing turquoise waters of the Colombian Caribbean? Off the luxurious coast of Croatia's Adriatic? Or touring the picture-perfect postcard islands of the Philippine Sea?

None of the above. I'm about 50 yards from the Willamette riverbank than runs through downtown Portland, Oregon. A leisurely river sail during the 4th of July is the closest I'll get to ocean life on a boat. As someone who gets "seasick" in the backseat of a car, the charm and romantic notion of being gently rocked to sleep while living on a boat are lost in my haze of Dramamine and wine.



Yet, I can see the appeal of retiring early to travel the world on a sailboat. Your "backyard" is the clear blue waters behind you. White sand beaches and coconut trees are visible from your "front porch." Your swimming pool is always the perfect temperature for a dip. You are hopping from island to island, going where the wind and your whims take you.



Like everything, the notion of life on a boat is quite different than the reality. What are the drawbacks of sailboat life? For FIRE pursuers dreaming about retiring early to sail the world, where does the dream end, and the reality of isolation, costly repairs, stormy weather, and physically exhausting work begin? What about in times of crisis? COVID-19 has highlighted the challenges of crossing borders during a pandemic.

What was life on a boat like when COVID-19 hit? If my home quarantine felt constricting, self-isolating on a sailing vessel must feel like sequestering in a bathtub?

Captain Mike and his wife Jenn have been generous enough to answer my questions (and dispel my misconceptions) and share their real-life stories of retired living on a boat.

Floats Our Boat



Captain Mike and Jenn

Retired Early World Traveler

From Denver, CO

Stayed in Antigua, Antigua and Barbuda

Captain Mike, can you introduce yourself, your wife, and your boat?

We are Mike and Jenn living on Sailing Vessel Sanitas - a Pacific Seacraft 37 monohull in the Caribbean. Jenn is our social media coordinator and keeps a blog (www.FloatsOurBoat.com) and (the) Instagram page (@[jennbsmiles](https://www.instagram.com/jennbsmiles)). My Reddit handle is [save_save_save](https://www.reddit.com/user/save_save_save). We have been married 23 years and are 49 (me) and 48 (Jenn). We both grew up in NY State but really felt most at home living in Boulder, CO for the 15 years prior to becoming nomads.

Do you spend the whole year living on a boat?



Now we spend roughly six months on a sailboat currently in the Caribbean and 6-months traveling on land somewhere. In 2019, we spent hurricane season walking across Spain and Portugal on the Camino de Santiago.

Tell me a bit about your Financial Independence/Retire Early (FIRE) journey? Did you always want to retire in your 40s?

Our FIRE story kind of evolved. During our careers, we took several sabbaticals to travel; always unpaid, and once requiring me to resign and get hired back. Those trips shaped us. We learned that we really enjoyed traveling and that there was so much more to life than working for the man.

Those trips were always funded by saving first and living frugally. Eventually, our incomes increased, allowing our savings rate to do the same; our best year was a 67% savings rate. In our 20's we thought retiring early meant age 55 when our pensions would be available.

When did you actually retire early?

Around 2012 I discovered FIRE and all the associated planning tools. At that point, a new plan really started to take shape as I was able to model how much more we needed to save for FIRE. Over the next couple of years, we eventually concluded that we could FIRE



earlier than 55 and would simply replace the lost pension income with our own savings, essentially buying back about nine years and FIRE'ing at age 46. We will each still get a pension, but if we draw on it at age 55, it will be 60% reduced because we left before age 55.

Can you walk us through your FIRE numbers and help give us some perspective of your financial strategies?

After liquidating everything, we started with ~3.3M NW, with a rough stock/bond/cash allocation of 75/15/10. My plan is to spend down the cash until we can get to an allocation more like 80/17/3, which should happen in 2-3 more years, and that transition conveniently keeps us from touching any stock holdings at this time. We have no rentals or other passive income streams besides the dividends coming from some of the mutual fund holdings. We can draw a meager corporate pension at age 55, but that payment increases 5% for every year up to age 65, so we'll see if we need it.

We knew that our land life annual spend was about 90k a year, including mortgage, insurance, and all the other things that go with owning a home. We had no idea what a nomadic sailing life would cost us so but figured we could certainly make it work on 90k a year.

I've been tracking my spending on a monthly basis and use the CAPE variable withdrawal method to determine our monthly spend allowance. I'm using $a=1.5\%$ and $b=0.5$. The formula has told us we can spend between 3.2%-3.6%, but we consistently spend less; 2018 was 2.7%, and 2019 was 2.4%. Quarantine has been good for the budget, and in April 2020, our spend rate was only 0.5% of our NW!!

What is the CAPE (Cyclically-Adjusted Price-to-Earnings) Variable Withdrawal Method?

TL;DR: A budget method where you spend more when the stock market is high, but spend less when stocks are down.

The CAPE withdrawal method is a flexible way to determine your maximum spending budget for the year. The CAPE method ties your spending level to a long term average valuation of the stock market. The intention is to balance your risk of running out of money in retirement, while not being too frugal if your investments are doing well.

Folks living more traditional land lives have wide-ranging budgets, and cruising on a sailboat is the same. We know people that spend more than us and many that spend less. It has been nice to have the spending power available to spend time in marinas, rent condos when the boat is in the yard, and eat/drink out when worth it.

It is a common adage to retire "to something," not just retire "from something." What were your plans post early retirement?



moving aboard.

We FIRE'd in the fall of 2017 after working for ~23 years for Megacorp as engineers. We sold nearly everything (townhome, cars, bike, etc.) and kept only a dozen boxes of random things. We decided that the first part of our nomadic FIRE life would be as cruising sailors, so we relocated to Florida and spent three months working on our boat before

Did you always know you wanted to live on a boat?

We talked about pursuing many different nomadic pursuits when we FIRE'd... backpacking via hostels across the world, building up a Sprinter camper van, bike touring and sailing just to name a few. We decided to pursue sailing for a few reasons.

It would challenge us mentally and physically, easily satisfying the old adage of retiring "to" something so we wouldn't get bored with RE. Sailing is a very physical activity, so we figured doing it before we got older would be better for us. And we had spent the previous four years doing our vacations on bareboat sailing charters, and so we felt like we had just enough skills to make it happen.

You FIRED in 2017. What are the exotic locations you have sailed to so far?



We relocated from Boulder, Colorado to St. Petersburg, Florida, where we spent three months working on our boat before moving aboard. We live on the boat seasonally from roughly Nov-June. During the most intense part of (the) hurricane season (July – Oct), we leave the boat somewhere in a boatyard storage facility and go travel by land.

In our first three seasons, we have cruised Florida, Bahamas, Turks and Caicos, Dominican Republic, Puerto Rico, USVI, BVI, Anguilla, St Martin, St Barts, Antigua and Barbuda, and Guadeloupe. We have stored the boat in St. Pete, Puerto Rico, and this year we are still hoping that borders open enough for us to get to Grenada.

That brings us to our current COVID-19 environment. Can you tell us about how the pandemic affects life on a boat?

We are currently in Antigua and have been here since the end of March 2020. We had made it one island further south (Guadeloupe) but returned to Antigua because Guadeloupe locked down tightly with all the same restrictions as its parent France, and they started closing anchorages and asking foreign-flagged vessels to leave. It is easier as English speaking cruisers to be here. Also, we know other cruisers here, can get our propane tank filled and has decent marine parts stores. Nearly all Caribbean islands have put in some sort of border restrictions and/or closed entirely. We made it here three days before the border closed.

When COVID-19 was just starting to break worldwide, and the US issued an alert for its citizens to return, we agonized over our options, and ultimately decided that it was best for us to stay on the boat but not return to the US..



Sailing directly to the US from Antigua would take us about two weeks, and all countries in between had closed their borders, not allowing sailors to stop on the way for a rest. Prior to this, our longest overnight passage had been 48 hours. We didn't feel experienced enough to attempt such a long trip without extra crew to share the 24-hour watches.

Storing the boat in Antigua and returning by plane was possible but, we have nowhere in the States to return to. We still may pursue this option, but it wasn't necessary to do this as our first response. It's also quite possible that we leave and are not able to return in November, so we need to be certain that leaving is what we want to do, and that our floating home will be safe if we leave her for an indefinite amount of time.

I can relate to restrictions on land, but what does quarantine look like when you live on a boat?



The current restrictions here in Antigua are a 6 pm-6 am curfew, beaches closed, retail businesses open (delivery of goods preferred), borders closed, boat movement needs Coast Guard approval, masks required if we go ashore. We hear from other cruisers that restrictions in other countries are more and also less restricting than here. I think Antigua has found a good

balance, but they've also been lucky in that few cases have occurred here. Nearly all of the Caribbean island cases have been "imported" so it's just luck that Antigua has been so low.

We have been anchored in the same remote location for four weeks now and have about five other "buddy boats" here with us. During the first couple of weeks, we all self-isolated aboard, But after that, since we had effectively completed more than 14 days off quarantine, we started to bend the quarantine rules by socializing within our 5-boat bubble.

We don't make a big show of it (there are many other boats in the anchorage). Still, our little bubble knows we are virus-free and haven't had any contact with outsiders, so we have started getting together for floating happy hours, listening to music, and even a shared dinner or two. It's not officially allowed, but it's really helped us maintain our mental health and to keep the fear and worries at bay by creating our own support network of a sailing "family".

I interviewed several FIRE expats who were caught when airlines canceled flights and countries closed borders. Now they are stuck with confusing visa situations where they aren't legally allowed to stay in the country, while simultaneously not being able to leave the country. How do visas and traveling between countries work on the water?

As cruisers in Antigua, we get a visa stamp and cruising permit. Our visa is good for 90 days, currently expires June 24, and we are awaiting an announcement from the government about extensions. Our cruising permit is good for 30 days, expired last week, and the government has extended all cruising permits to match the duration of the visa. We will simply pay for the extended cruising permit when we check out.



Our future plans need to factor in COVID-19 restrictions and hurricane season. Based on border status, we will either sail to Grenada or remain in Antigua to haul and store the boat. Based on whether flights are running and if we think we can return, we will then either fly back to the US to visit family or simply stay and rent a place on land. Then there's an extra twist about coordinating with our marine insurance holder to verify that we will be covered if we stay in Antigua.

As of today (30 April), we could leave Antigua if we chartered a flight (no commercial flights available) or sailed to an open island (only US Virgin Islands, Puerto Rico, and St. Vincent). We know many that have sailed to the USVI, but there are reports of very full anchorages. As a result, there is a huge strain on cruiser services in the US Virgin Islands.

What is the day to day life on a boat like?

Day to day life on the boat is pretty simple these days. There's always a "to-do" list of projects on the boat, so we've been working those down. For example, yesterday, I went up the mast to investigate why our wind sensor stopped working. The day before that, I scrubbed the waterline where algae loves to grow. Since we're not moving between anchorages, route planning isn't needed. My daily weather checks are only needed every few days instead of daily.

Cell reception is good most of the time, and we have SIM cards with 40 Gb each per month. Like most back home in the US, our time spent online is higher now than prior to COVID-19. We also sprinkle in a little (bit) of socializing, swimming, snorkeling, hiking, VHF radio trivia between boats, and movie watching. Several days have been spent sharing hard drives full of movies and TV shows.

What about onshore? How is Antigua handling COVID-19?



Since we're anchored a bit remotely, I can't really say much about the residents of Antigua and how they are handling things. During our limited visits ashore for provisions, we've been greeted by friendly folks eager to find their way in these uncertain times.

We read the local newspapers online to keep up to date on the news and the sentiments of Antiguanians. The economy of Antigua depends on tourism, and with borders closed and major events such as Yacht Week canceled, many Antiguanians are out of work and worried about how

to feed their families. We've tried to help put some money into the local economy by ordering local vegetables and eggs directly from a farmers' co-op.

Medical care is fairly limited on this small island. There's only one hospital with a couple of ICU beds. So folks are understandably scared of getting sick and aren't in a hurry to welcome outsiders from countries where new COVID-19 cases are still being recorded.

I think Antigua has handled the COVID-19 outbreak well. Communication of the changing restrictions was initially poor (or perhaps it took us a while to find a good source), and the rules poorly defined. But they have since put more detail into the restrictions, and we have found direct sources for the PM's directives.

We are starting to conclude that we'll stay here in Antigua through hurricane season. There's a group of cruisers that will likely find places to rent here, so we'll have a community. We still need to verify with our marine insurance that this is OK. Our medical insurance is more of a catastrophic plan and actually requires us to be outside the US (for) more than half the year, so we've got that covered.

I'm thankful that this is not our first year cruising. That first season was a difficult, high-anxiety year as we figured out how to keep all the boat systems running, repair what breaks, do route and weather planning, provision for all our needs, and learn how to live in a very small space together. Now, with COVID-19, we are like everyone else and have good days and bad.

I'm on Day 57 of strict home quarantine. I relate to having "good days and bad," but I'm in a big house. How do you manage the "bad days" living on a small (relative to a house) boat?



The uncertainty about our future makes planning difficult. With so many unknowns about borders and changing rules when we do try to plan anything, it can lead to frustration and emotional outbursts. Our small living space (about 120 square feet) feels even smaller when we almost never leave the boat. Sufficient exercise is difficult to get in the best of times on a boat and even harder now. We sometimes feel helpless so far from family when we know it is nearly impossible to get back to them.

Fortunately, we're together and have each other to sort through the options. And our group of buddy boats is working really well to support each other. We have arranged group trivia on the radio, floating happy hours where we stay 10 feet apart, concerts where someone plays from their boat, and we anchor our dinghies nearby, bartering for parts, booze, medicine and food between boats, group food orders that get delivered nearby, and retrieved by dinghy.

Final thoughts on life on a sailboat



Thanks, Capt. Mike and Jenn. Your wild adventures provide a tiny glimpse into the reality of life on a boat. Through this interview and by reading your stories on **Floats Our Boat**, it is easy to see that living on a boat has its ups and downs (wave pun intended).

Sailboat life sounds glamorous, and parts of the experience is, but life on a boat is not for everyone. This life is not a packaged cruise with catered meals. Rough seas and uncertainty can test a person's mettle. You

need a dash of grit, a bit of perseverance, and heaps of expertise to be successful. But if the call of "gin blue" waters, salt in your hair, and the adventure on the open ocean is your song, retiring early to live on a boat is your dance.

Are you interested in living abroad? We have the resources you need. Click the button to view the latest insights from Nomadic FIRE.


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INSIDER TIP: Did you know that people who live on boats have their version of coastFIRE, leanFIRE, and fatFIRE?

CoastFIRE = Brave Youngsters

"These are mostly young couples that had regular jobs that allowed them to save enough money to quit their jobs, buy a small boat, and start their journey with just a few months worth of expenses in their bank accounts... Most often, we see couples that find regular jobs at marinas, have skills that make them extra cash or even come back to land during the off-season to replenish the cruising kitty. They are resourceful. They're grinders and risk-takers."

LeanFIRE = Frugal Paycheck Workhorses

"These are young(ish) and middle-aged couples with regular jobs and biweekly paychecks. These are the couples that decided to live frugally, worked like their dreams depended on it, and made smart financial decisions many years in advance. They are the workhorses that drove beat-up cars, split entrees at restaurants, and lived in houses well below their means."

FatFIRE = Business Owners

"These range from young tech entrepreneurs to middle age business owners, to doctors, dentists, and other professionals with their own practices who had very successful yet short (by choice) careers. These people usually worked extremely hard and were fortunate enough to sell their business and accumulate the type of wealth that allows them to sail indefinitely. They don't ever have to work again." Credit to Yolanda and Nestor from Blue Buddha Adventures

Credit to Yolanda and Nestor from [Blue Buddha Adventures](#)

ABOUT NOMADIC FIRE



Have you ever been sitting at your desk job after a 12-hour day and dreamed what your life would be like if you retired early?

I did to. But today's gig economy and work environment expects us to work ourselves to the bone. What if you could escape the traditional life for a life that doesn't require working 40+ hours a week until age 65? What if you could wake up every day without an

alarm clock and do the things you actually enjoy doing?

For years, I fantasized about Retiring Early, then I finally made it happen. 5 years and 43 countries later, I want to share how to make it happen for you.



HI, THAT'S ME. I'M
MARCO SISON

I am a survivor of the corporate rat race. I started Nomad FIRE to illustrate an alternative to the stress and grind of 70-hour weeks to pay off a mortgage, a car, student loans, and countless bills. I said screw it all 5 years ago and retired early at 41 years old to travel the world.

Nomadic FIRE shows you how to achieve the same upgraded life.