

EPISODE 802

[INTRODUCTION]

[0:00:36.0]

FT: How do you know when your side hustle deserves your fullest attention and maybe it's time to give up your 9 to 5. Welcome to So Money everybody. I'm your host, Farnoosh Torabi. Our guest today first arrived on this show last year, episode 602. She joined me for an Ask Farnoosh jam session 200 episodes ago. At that time, she was a working professional in New York, trying to figure out her life using a blog as a creative outlet. She had founded urban20something.com.

Today, she's fully self-employed. Said bye-bye to her desk job and it's dedicating all of her focus to this site. How did Leah know she was ready to make the transition? How is she monetizing her platform and what advice does she have for the rest of us, if we're considering a side gig, or maybe we're in the midst of one, how do we make more of it?

By the way, Leah has a freebie for us. Just go to somoneypodcast.com. She wants to send you over to download a free case study that she's created for listeners on how to up-level your side hustle and actually bring in some good cash. Go to somoneypodcast.com for that.

Before you do, here is Leah Gervais.

[INTERVIEW]

[0:01:55.5]

FT: Leah Gervais, welcome to So Money. I'm so excited to bring you back on. You are on this show about a year and a half ago straddling the 9 to 5 and your side hustle, you've got some big news now to share that you're an entrepreneur. You are running urban20something.com full-time. So proud of you. Welcome back.

[0:02:16.2]

LG: Well first of all, thank you so much Farnoosh. That was so lovely. I'm very excited to be here. Your show has been one of the original reasons that I'm standing here today. I have you to thank for inspiring me and teaching me. It feels great. It feels pretty much the way you think it would and even better when you reach a big goal like that and it comes true. It can be even better than you could have anticipated.

[0:02:41.6]

FT: I'm so glad to hear this. You deserve all of it. Take us back to –

[0:02:44.7]

LG: Thank you.

[0:02:45.8]

FT: - your previous life. Catch us up a little bit for those who are listening for the first time, learning about you for the first time, where were you a year and a half ago, what were you doing, what inspired the side hustle of urban20something.com? Let's start there and then we'll talk about the transition and when you knew it was time to leave and how things are going today.

[0:03:07.3]

LG: Sure. Going back a little more than a year and a half ago, I started it about two and a half years ago. I started it when I was going through a very confusing time. I mean, at the time it seemed so confusing, but now looking back I was 22, so of course, everything is confusing then. Well, I was a little older. Yeah, I had gotten into law school. I was working as a paralegal on 42nd Street in Manhattan. I had gone through undergrad assuming I was going to go to law school that had always been my plan.

Literally the day that I had to tell the schools I had been admitted into which one I was going to accept, because I just delayed and delayed and delayed. I realized that the answer wasn't going to be which one. It was going to be that I wasn't going to go at all. It was really clear, but it was really scary still because I didn't know what else I was going to do. I had really planned on that for so long and I didn't really know what else I was interested in, or how to even begin and my job was in the legal field. To have that blank slate and not even know what direction to turn was scary.

I started Urban 20 Something as a blog to document this roadless travel I was about to take, because even though I didn't know where I was going to go, or where I was going to end up, I definitely knew I couldn't be alone. I knew there had to be other 20, 30, 40 somethings that thought that they had done everything right, but then still felt incredibly lost. I wanted to write about it. I wanted to try to reach more people about it. I wanted to teach what I learned along the way, and that's how this began.

[0:04:53.3]

FT: What was telling you, what was the voice telling you that the law school path was not correct?

[0:05:02.0]

LG: I often tell that it was a gut feeling, but the truth is there's a bit more to it than that. What I mean by that and I'm sure I think you can relate with this Farnoosh, but up until that point, so I grew up in a small town in Colorado and I knew from a young age that I wanted to live in New York just like every eight-year-old ballerina does. I never grew out of it. I always wanted it and I wanted to live the whole life here. I wanted to have a really fulfilling career. I wanted to be comfortable, the whole nine. I was willing to do what in my eyes whatever it took to make that happen.

I worked really hard when I was younger. I got into NYU. I worked really hard at NYU. I got a job when I graduated as a paralegal. In my eyes, I did pretty much everything society told me to do and ended up in a situation where I was making \$40,000 a year living in one of the most

expensive cities in the world. I had crazy student loans. I had no end in sight to when this paycheck-to-paycheck, unfulfilling stressful job was going to end. In fact, I was just going to get more debt by going to law school.

I think that morning when I decided to decline my acceptances, it was because of a pattern of distrust of the status quo and of society and of these really good jobs and good schools and prestigious paths. Not that I regret anything that I did, but I realized that if I was going to want to create this dream life I had had since I was younger, I was going to need to get creative about it, because continuing to do what society had paid for me was not going to get me where I wanted to be as it had been demonstrated to me for the past several years.

[0:06:44.9]

FT: That's very mature of you. Because it's a really scary place to be in and I think it's really brave of you to have decided to trust your gut and take a risk. Looking back in hindsight, the 20s are when you are most risk-able. You should not be afraid to take risks. I think your 20s are when you're supposed to just screw up a lot, frankly, make some measured screw-ups, plan B hopefully. Your plan B was, "Look, I have a college degree. I'm smart. I am savvy." What do you really have to lose? Law school will always be there.

[0:07:29.1]

LG: Right.

[0:07:30.9]

FT: Urban20something.com then became your outlet to explore these conundrums you were going through, find your people. You turn it into a business and in fact, a business that ended up creating revenue that exceeded your income at your nine-to-five. How did you do that?

[0:07:50.7]

LG: At first, right when I started it and quit my – well, so I declined my acceptances, started my blog and quit my job as a paralegal all within about, I don't know, two weeks. I decided that because I was no longer going to work as a lawyer I think now for the foreseeable future, I was going to take this even further. I didn't see any point in working at a law firm. I bought a one-way ticket to Southeast Asia and I traveled by myself for about four months.

At that time, Urban 20 Something was me writing about traveling alone and managing to budget while I was traveling and learning how to freelance. I was truly just using it as a diary of how I was figuring things out as I went in this completely new life that I had just stepped into. Then I started learning that I could make money from freelancing, because I was in Southeast Asia, I needed a little bit of money and learning how to do that. I started blogging about that and that picked up traction.

Then about well, about four or five months into it when I was in Southeast Asia still, I ended up getting a job at a wonderful nonprofit back in New York City, but while I was living in Bangkok. I started blogging about that. Then a lot of my readers reached out to me and they were like, “How did you do that? How did you take a gap in your resume and still get a job? How did you apply for a job while you're in a different country, while you don't really have any connections?”

I was like, “Oh, maybe this could be useful.” This is totally aligned with my original goal of this blog, which was to empower people that wanted to explore options in their life. I made an e-course about how to apply for a job while you a gap in your resume and/or while you're traveling and standout online in the sea of applications. That was my first way that I really monetize my website and things just really took off from there.

[0:09:49.1]

FT: Well, so what's next for the site? You've now left your job. Did you just do the math and you're like, “I'm making more now than my 9 to 5. It's time to quit.” Was there more that you considered?

[0:10:01.9]

LG: Yeah. I launched that course about a year ago and that's when I started to see real income from it. It wasn't quite as much as my 9 to 5, but when I started to break four figures around my 9 to 5 is when I thought, "Oh, this could maybe be something. Maybe this is more powerful than just the creative outlet I have been treating it." I promised myself at the end of 2017, almost a year ago now that I would spend 2018 giving it my all, seeing if I could replace my income, seeing if it was actually going to make me money.

Little did I know six months later, I would have had several months of exceeding my 9 to 5 income and I realized how much people wanted to learn what I had to teach, which is how to build businesses around your 9 to 5 job, how to make extra income, how to not settle for these paycheck-to-paycheck jobs and lives that a lot of us have been funneled in through from society the way I had.

I don't know. I'm sure you read the book *The Big Leap* by Gay Hendricks. He talks about your zone of excellence, which is where people live in jobs that they like, but that's not necessarily your zone of genius. I feel like I needed to leap from excellence to try to genius. I know genius is a big word, but that's the way I've got it.

[0:11:21.0]

FT: Zone of excellence to zone of genius. I'm writing that down. Speaking of books, what other their resources, mentors did you tap? I know my 20s were – the reason I didn't probably fall on my face more than I did was because I had a – I patch worked a lot of great mentorship, advice, books, resources and I really I think was proactive about that and I credit myself for that, but I also thank all the people who really gave me incredible generous advice. Got to ask you, who was your community and your support system during this phase and still?

[0:12:01.2]

LG: Yeah. I'm really happy you asked me this question, because I think it's important for people to just realize how important it is. This was a really big pendulum swing for me. When I was still a paralegal at my first job, when I started realizing that life wasn't really as sweet as I thought it would be and that I was broke and that Manhattan was crazy expensive, I got really obsessed

with the world of personal finance. I read *Rich Dad Poor Dad*, *The Millionaire Next Door*, all these really, really great classic books about how to manage your money better.

I loved them and that helped me a lot and it helped me make more of the money that was making so much. I also realized that because I had gone so into it, I was doing it in a robotic way and I wasn't really paying attention to what I wanted to do with it. I got to a point where I was like, "Oh, my God. I have a savings account for a house." I don't want a house. I live in New York City, I don't want to buy this any time soon. I was just realizing that I was taking this advice so at face value and not really looking at the way it applied to my own life.

I ended up really thinking differently when I was traveling by myself and I was becoming a lot more introspective and trying to write my own story. That's when I got more into the entrepreneurial mindset and books and podcasts in that zone. That's when I found your podcast, as well as I loved reading things like Marianne Williamson, I love reading Napoleon Hill, Wallace D. Wattles.

Those books that really get more big picture about what you can do with money, instead of just frigidly how to save it. I think that people can often fall on one end of the spectrum a bit too much and I think the balance is really helpful.

[0:13:48.2]

FT: It's no coincidence when I meet thoughtful young people, you, my brother, guests on this show, other Millennials I meet through all my work and even just on the street, "Hey Farnoosh. I listen to your podcast." Then we start talking. It happens once in a while. It's really great. It's no coincidence that all of you are well-read; well-read, well-resourced curious people. I think that's really special. I love meeting people like you of all ages, but I find it particularly just impressive when I see that happening in the younger generation.

I'm not saying this as your grandmother. I'm pretty close to the Millennials. I'm on the cusp of Gen X and Gen Y. I don't think I was as voracious of a consumer of information and inspiration in my 20s. I just think like, "Wow, if I had read a few more books, where would I have gone?" It's just really makes me happy. It just makes me really happy.

Speaking of you brought it up, personal finance and your passion for this and your pursuit, let's talk about your money philosophy. Let's go to those So Money questions a little bit, Leah. You've been so fun to chat with. First question is what is your money philosophy? What's your money mantra?

[0:15:15.8]

LG: I believe that money is here to enable us to do whatever we want with it. I think we all know that an app-based value, that makes a lot of sense. What we can easily forget is that it requires really figuring out what it is that you do want to do. I know, I gave the example before where I was saving all this money for a house until I realized I don't want a house. I'm 23. I don't want to own any piece of real estate anytime soon.

I think that in our – I don't know, especially in cities where everyone's really competitive and type A, wanting to work, work, work, you just think of your finances as a very robotic thing and don't even take the time to assess what you're really wanting to do with them. That's where the personal finance thing can be ironic, because in some of the traditional personal finance advice, or books, or I grew up, my father was an accountant, he was a CPA. A lot of it actually is nothing personal about it at all. It's very much like, this is what you should do, this is the percentage you should save, this is what things you should invest in. It doesn't really take into consideration what you want out of it. I think it requires a lot more reflection than this traditional advice allows.

[0:16:29.5]

FT: Yeah. When you were growing up, you mentioned your father was an accountant. What was your foray into the world of finance? Are your parents the type to really like have conversations with you about it? Is there a moment, a memory that you have that continues to stay with you that was very much your – way that you learned about money, or had a realization about money?

[0:16:55.0]

LG: Yeah. My father was – I had a really interesting and I guess really lucky combination and as I grew up with money, because my father was a CPA, so we were very much financially literate, and we were gays. We had books that we read often and things like that and we did talk about money in a very responsible and financial planning way. My father started his own CPA firm, so he also was an entrepreneur and he also took incredible risks to get to that position and to make that happen.

When he was raising us, when we were younger, he was very much teaching us more about saving and investing and this just dollars and cents behind money. I was stunned when I called him to tell him that I was going to go to Southeast Asia and I was also starting a website and I wasn't going to go to some of the best law schools in the country that I had been accepted to. He just totally got it. Didn't miss a beat. Didn't think anything about like having, maybe I should have gone to law school, or maybe I should be saving my money. He completely understood how important risks were, and that money is there to fulfill whatever you want out of it, and that's exactly what I was doing.

That really freed me, because like I said, I was so just engulfed in the rigidness of it that I forgot that it's not supposed to be a stress. It's not supposed to be something that feels separate from your goals. It's supposed to completely enable them and really excite you.

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FT: What would you describe as your so money momently, Leah? A moment where you really felt, and perhaps it is when you left your 9 to 5 to pursue Urban 20 Something fully full-time, but did you have loans that you paid off? Your so money moment, loans that you paid off, or something that you bought that you really saved up for?

[0:18:40.6]

LG: I think the biggest moment, it's probably not as climatic as I wish I had, or as maybe people would want, but I think that the most unreal moment for me was when I saw that I had – in one month, I made more than my 9 to 5 and then the next month I doubled it around my 9 to 5 job. I just remember thinking, “Wow, I really unlocked the power of this side hustle.” That's really how I

felt. I felt I had gotten – I had gone all the way with what a side hustle is supposed to be about. I had figured it out and it just felt incredible.

[0:19:12.9]

FT: What did you do with the money? I remember having side hustles in my 20s and also there was a year or two that I was making side hustle money that equated to my salary at work. I was elated. I don't remember. I think I invested more, I paid off my student loans, I bought some nicer stuff, I went on some vacations. It was amazing. What did you do? What are you doing?

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LG: A bit of a combination like that. I mean, I really seen this side hustle and the growth of my website not as just a flux in my income, but as the way to recreate that – or not even recreate, to create that life in New York I had chased since I was 16, or 8, or whatever way you want to look at it. I enjoy New York more now. I live in a nicer apartment now. I'm able to treat my friends and family a little bit better when around the city, if it's on the weekends, or if someone's visiting, or something like that.

That is just so fulfilling, because I know I completely did it from something I created out of nothing. In terms of my student loans, I did graduate from NYU with some loans. Not a ton, but what I chose to do – so at first when I started Urban 20 Something I was like, “I would just want to pay them off. That's all I care about.” Then when I started seeing how much it was growing and I was thinking about leaving my day job, I was more concerned with making sure that I was growing in revenue every single month around my day job, than necessarily having a savings account just sitting there.

I paid off almost all my student loans, except one small one. What I chose to do with that instead is refinance it to I think it's out like a 2.4% interest rate. It's extremely inexpensive. Instead of paying it off, I reinvested into Urban 20 Something to help it grow more, to help with getting a better website, to help with managing all the work, because it is a lot just for me to do. To me, that was actually a lot more financially secure, because when I did make the leap, I was so sure as had I proven to myself that I was able to make money and grow my income, because

I invested a little bit in it, rather than just having money sitting there and savings, which I would have been stressed about, not touching anyway.

That's how I – I really had to change my perspective to make that happen. I mean, a year ago I would have never thought that I would prioritize making over saving. I would have just thought saving was my priority, but that's not what ended up happening.

[0:21:46.9]

FT: Yeah. Or that it's okay to have a little bit of debt if it's manageable and it's facilitating your ability to be liquid, and use that money to make more money, right?

[0:21:59.8]

LG: Exactly, exactly. Right.

[0:22:01.3]

FT: Which is why people don't, for example pay off their mortgage right away if they could, because the interest rate is so low. It's a monthly payment. They work around it. They have their more cash flush and they can use that cash to invest in the stock market, or other things that will have a higher return. I think that's really smart. Great work.

[0:22:21.1]

LG: Well, thank you. Yeah, exactly. I was like, "I could pay this off and then I would just be sitting here, not knowing how to move forward so much." That's not what I wanted. Yeah, I agree. The investment was a much higher return in my business than it would have been on that 2.4% loan.

[0:22:34.6]

FT: It's Halloween, October 31st. For much of the month, I've been asking guests as it is something that we've been doing this fun question with our brand partner and sponsor Chase

Slate. I wanted to ask guests. it's Halloween, it's a scary month. Not really, but spooky. What has been your scariest money moment?

[0:23:03.0]

LG: Oh, my scariest money moment. Let's see. I've had some close call. I mean, I've definitely flirted with a big fluctuation in my savings and in my checking accounts before, where I've just not really known how I was going to make something happen, or [inaudible 0:23:20.6] was going to come in on time that month. I can't think of one in particular that I just felt I was at rock bottom, but I've always managed to figure it out and that's been a really good lesson for me. I'm actually so happy I've had those really hard moments, because I feel now I just stress about money so much less, because I've been in hard situations and figured it out then. I could do it again if it ever happened again.

[0:23:44.8]

FT: That's good. You flex to that muscle.

[0:23:47.4]

LG: Yeah. Sorry, I don't have a better story.

[0:23:49.8]

FT: No, no. It's fine. I mean, that's a good thing, right? Good news, bad news. Good news is I don't have a terrifying story about money, but I guess that's bad for the question.

[0:24:00.1]

LG: It's a little boring. Yeah.

[0:24:00.9]

FT: No, no, no. You've been so helpful. This is really good stuff and I think you're helping a lot of listeners as we go along. Tell us about a money habit that you practice, Leah, that really helps you keep your focus on the money ball and just keep your money where you feel it needs to be and where it needs to stay growing.

[0:24:23.0]

LG: Yeah. Even though I did switch around my saving habits as I made the transition, one thing that I've always, always done is kept three, at least three, at times I've had much more, but at least three online savings accounts. I automatically pull from my checking every single week in all three of them and all three are saving for different things. It's not so much a habit, because I don't have to actively do it, but just having that, knowing that that's happening in the back of your head at all times I think is so gives – it gives me so much peace of mind, because especially if you are growing a business and you are spending money in different ways and making money in different ways and sometimes things can feel they're changing really quickly, and knowing that you have that little bit automatically set aside every week is so grounding and can really just make you remember that you do have this habit, you do have this flow, you do have this system, you are on top of it, you're just going through a change and that's usually exciting if you can let it be.

[0:25:22.0]

FT: What are the three things that you're saving for? What are these accounts supporting?

[0:25:27.5]

LG: My wedding and my –

[0:25:29.4]

FT: Awesome. Congrats. I didn't know you were engaged. Congratulations.

[0:25:31.8]

LG: Thank you. Yeah, I just got engaged about three months ago. Thank you. Getting married in New York is not cheap. I don't know if you got married here.

[0:25:39.1]

FT: No. That's why we didn't get married in New York.

[0:25:41.7]

LG: It's not pretty. I save for my wedding. I have an investment, or investment/Roth IRA fund that I save a little bit toward. At the end of at April 15th of every month I empty it and invest it in my in my Roth IRA in addition to whatever cash I might have on hand that could fill in the gap to max out the 5,500. Sometimes I have enough saved, sometimes I don't, but I do whatever I can that's in that account at that time. Then I just have a general savings.

[0:26:12.3]

FT: I love that your compartmentalizing your wedding. I think we could do a whole entire episode on how Leah is paying for her wedding. All I will say is that I wish you the best of luck and enjoy it. Enjoy every second of that day. Remember, you're getting married, not wedded, I will say that too.

[0:26:30.2]

LG: That is a good one. Just the beginning.

[0:26:33.0]

FT: Are you ready for some So Money fill in the blanks?

[0:26:35.1]

LG: I'd love to.

[0:26:36.1]

FT: Okay, cool. All right, so first thing; if I won the lottery tomorrow a 100 million bucks, the first thing I would do is?

[0:26:44.7]

LG: A 100 million bucks, I would buy my mom a dream home, or second home, or whatever home she wanted. Then I would probably donate most of the rest and then also pay for the rest of my wedding.

[0:27:00.8]

FT: It's that wedding, huh?

[0:27:04.1]

LG: It would be if I want to –

[0:27:05.3]

FT: I'm going to expect an invitation at that point, if you're spending – if you're dropping that much money on a wedding. All right, one thing I spend my money on that makes my life easier or better is?

[0:27:17.4]

LG: A luxury gym. Worth every penny.

[0:27:19.7]

FT: You use it?

[0:27:21.4]

LG: I do, every day. I don't dread going to, because it's actually a nice place to be.

[0:27:27.9]

FT: That's good. I had a thought the other day that the gyms, the standard gyms that are like, you get your Stairmaster and your treadmill, I feel they're losing their luster. People are really into taking classes and private classes and/or online. You workout online now, I do streaming classes online on my laptop when I can't hit the gym. I wonder what the appeal is now for the big old gym, but you obviously are a fan.

[0:27:58.7]

LG: Well, five out of the seven days I do classes, so I get the class. Yeah.

[0:28:04.6]

FT: Makes sense. All right. Okay, one thing I wish I had learned about money growing up is?

[0:28:14.2]

LG: That you can always make more of it. There's more than enough of it and it's more important to learn how to make more than to save more.

[0:28:23.6]

FT: I agree with that. I didn't know that in my 20s. You are way ahead of me on that mentality.

[0:28:29.8]

LG: Thank you.

[0:28:31.5]

FT: It's a bit of a controversial thing to say in some circles, but I think in my life that's been the case. I know that there is definitely a movement towards that mindset shift. All right, when I donate I like to give to blank, because?

[0:28:52.0]

LG: I guess the tie would be causes toward justice reform, or just women women's empowerment and women in business.

[0:29:00.1]

FT: I love that.

[0:29:01.1]

LG: Because I think justice reform, I think everyone deserves a second chance and it's usually fought in our country, could do a whole thing on that. Women in business because I think it's pretty obvious. It's changed my life and I think it can change many others.

[0:29:12.9]

FT: It's that lawyer in you, the justice reform maybe. Would you ever go – do you think getting a legal life law is just way – it's a thing of the past? It's no longer a thing in the future?

[0:29:23.9]

LG: It is. It's the career that was over by the time I was 21. That was all I needed.

[0:29:30.4]

FT: I'm so glad you – so many people go to law school, because they think that's what they're supposed to do. What an expensive mistake to make.

[0:29:39.4]

LG: No kidding. No kidding.

[0:29:41.7]

FT: All right. Last but not least, I'm Leah Gervais. I'm so money because?

[0:29:50.1]

LG: Oh, geez. I should've had something gone about this better. I'm Leah Gervais and I'm so money, because I no longer stress about money and you shouldn't either. You can do this. You can do whatever you set your mind to.

[0:30:02.3]

FT: You got this people. Leah says so. Leah, it's so nice to catch up with you. Really, I'm blown away. I'm really impressed, I'm proud, I'm also really impressed with the accomplishments you've made in a relatively short period of time. You go after it girl. I love it and we really appreciate you sharing your wisdom with us. Good luck to you and stay in touch.

[0:30:25.6]

LG: Thanks so, so much Farnoosh. It was lovely speaking with you as well and thanks for everything you do.

[END]