

Duke Grad Student Secretly Lived In a Van to Escape Loan Debt

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By Mandi Woodruff / Business Insider – 21 hours ago

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Business Insider/Ken Ilgunas - Photo: Ken Ilgunas

By the time Ken Ilgunas was wrapping up his last year of undergraduate studies at the University of Buffalo in 2005, he had no idea what kind of debt hole he'd dug himself into.

He had majored in the least marketable fields of study possible — English and History — and had zero job prospects after getting turned down for no fewer than 25 paid internships.

"That was a wake-up call," he told Business Insider. "I had this huge \$32,000 student debt and at the time I was pushing carts at Home Depot, making \$8 an hour. I was just getting kind of frantic."

Back then, student loans had yet to become the front page news they are today. Ilgunas could have simply deferred his loans or declared forbearance. He also could have asked his parents (who were more than willing to help) for a leg up. He could have thrown up his hands and gone to grad school until the job market bounced back.

Instead, he moved to Alaska and spent two years paying back every dime. And when he enrolled at Duke University for graduate school later, he lived out of his van to be sure he wouldn't have to take out loans again.

"I had no idea what I was getting into at the time. I didn't even know what interest was when I was 17," he said. "I just think that's awfully indicative of the incredibly poor personal finance education young people have at that time in their lives."

In his book, "[Walden on Wheels: On The Open Road from Debt to Freedom](#)," Ken chronicles his journey out of debt.

He was kind enough to share his story with us this week.

He knew exactly where to go for work. Ken had spent a couple months working at a remote Alaskan truck stop the summer before graduating. So he called up his old contacts and landed a job there as a local tour guide, cook, and basically whatever the locals needed.

"The day after I graduated, I was on a flight to Alaska and pretty much started work right away," he said. "As ignorant as I was, I did know that if I didn't deal with my loans, I'd have to deal with accumulated interest or delinquency or default. I wanted to pay it off as fast as humanly possible."

It was a brilliant move for a 20-something needing to pay down debt in a hurry. "It's 250 miles from the nearest store, room and board were included, and there wasn't any cell service," he said. "You can amaze yourself with how much you can save when you reduce your cost of living. Almost every dollar I made went toward my student loans."



Photo: Ken Ilgunas

After a year earning \$9/hour in Cold Foot, Ken had paid off more than \$18,000. He hitch-hiked back home to New York and then lined up a six-month stint as an AmeriCorps volunteer in Mississippi.

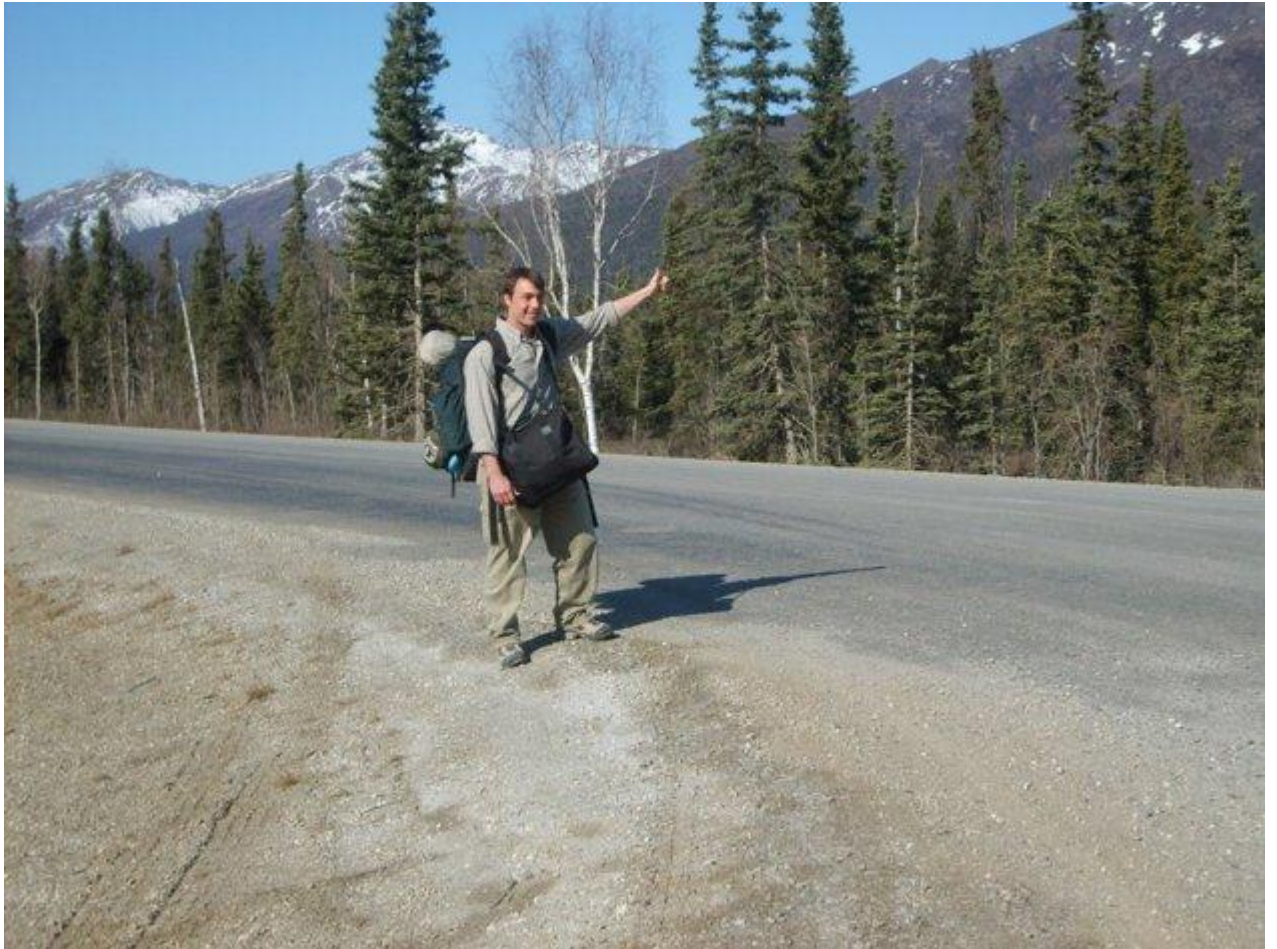


Photo: Ken Ilgunas

But the pay sucked. After AmeriCorps, he headed back up North. "I got another job in Cold Foot working for the Gates of Arctic National Park as a backcountry ranger. Finally, it was a decent wage."

Two and a half years after hitting the road, he made his final loan payment. With interest, he'd paid down \$35,000.



Photo: Ken Ilgunas

But he wasn't ready to quit on his education just yet. "I figured out two things on the road," he said. "That I was never going back into debt again, and that I was going back to school. I was just intellectually starved [living on the road for so long]. I recognized that I wasn't speaking as clearly and my writing wasn't as good. "

He was determined to find a liberal arts program affordable enough to pay his way as he went. He settled on Duke, which charged about \$2,500/semester.

He needed a cheap place to live, and he remembered a man he met back in Cold Foot. He'd been living out of his car year-round and seemed fine with it. "If he could do it in the Arctic, I could probably do it in North Carolina," Ken said.



Photo: Ken Ilgunas

When he found an ad for a \$1,500 1994 Ford Econoline on Craigslist, he knew he was home.



Photo: Ken Ilgunas

Luckily, he'd been assigned to a rarely-trafficked parking lot off campus. He could come and go as he pleased and no one noticed. "At first, it was pretty thrilling," he said. "I definitely felt like I was breaking the rules and there was just something exciting about that."



Photo: Ken Ilgunas

The first few weeks were rough. "By the time I bought the van, \$2,000 was gone," he said. "I knew it was going to be tough because I still had car insurance, gas bills, a cell phone, and food to buy. Those first few weeks, I was almost starving myself to spend as little money as I could."

Eventually, he got to work turning his van into a proper home. "Over time, it became a mini dorm room," he said. He took out the back row of seats, which left plenty of room for "furnishings." He used a plastic bin to store food, supplies and school materials.



Photo: Ken Ilgunas

Organization was key. He kept his laundry up front in the passenger seat.



Photo: Ken Ilgunas

For meals, he cooked on a simple backpacking stove. "I would mix in some noodles and fresh vegetables and eat very cheaply, but very well," he said.



Photo: Ken Ilgunas

He kept a headlamp charged up and ready for late-night study sessions. He joined the campus gym for \$34/semester, which gave him a place to shower. He gathered drinking and cooking water there, too.



Photo: Ken Ilgunas

The library became his second sanctuary. He used the WiFi for schoolwork and charged up all his electronics.

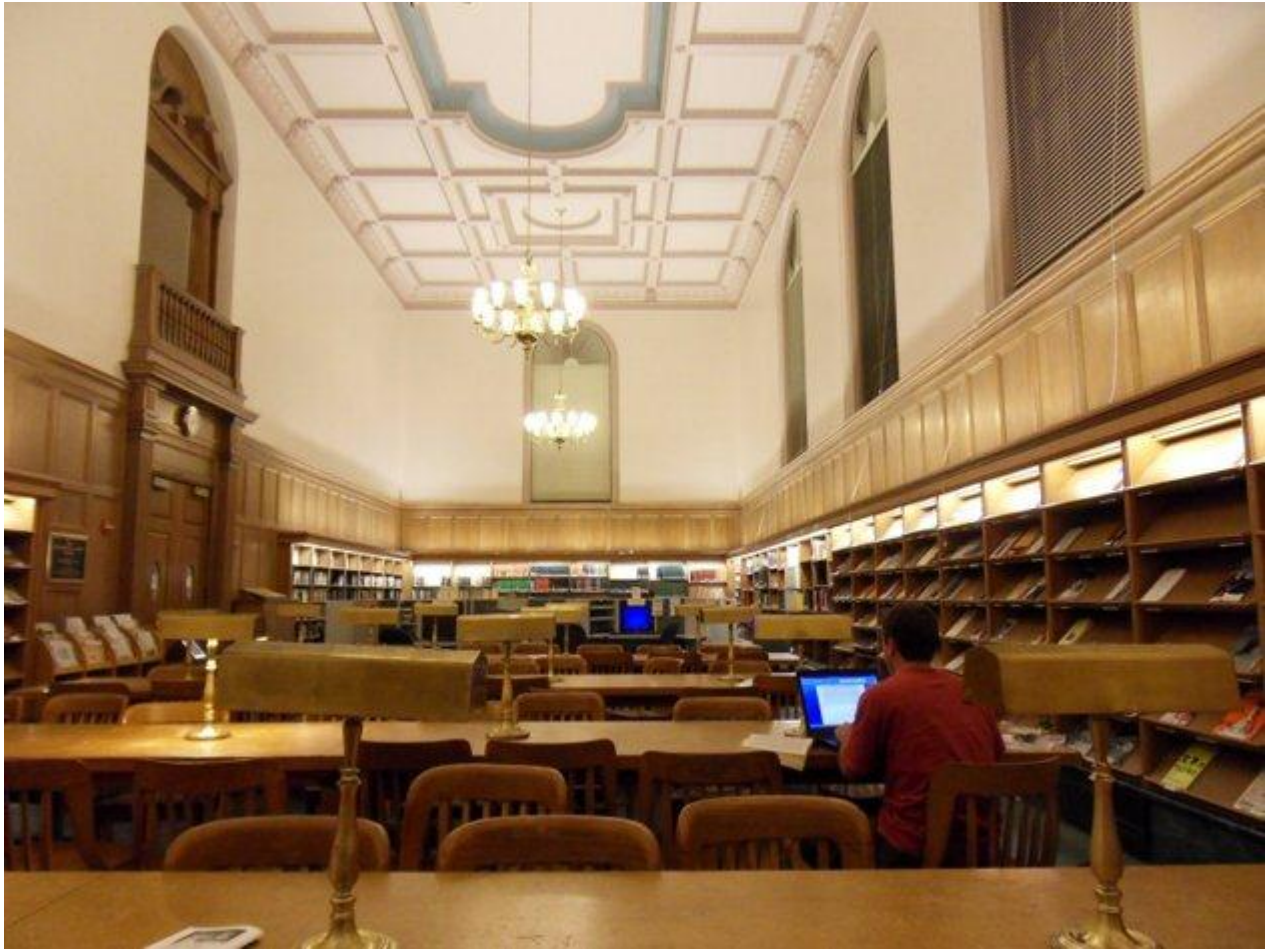


Photo: Ken Ilgunas

There was just one rule about his new lifestyle: Nobody could know about it. "I realized it was the sort of mindless gossip that could be spread over Twitter and Facebook," he said. "I didn't want anybody knowing all about it. The first semester was extremely lonely."

He looked for odd jobs whenever possible, including working part-time tutoring kids at a local elementary school for extra cash.



Photo: Ken Ilgunas

"It got cold a few nights, maybe down to 10 degrees. But once I was in my thermal underwear and sleeping bag, I slept really well."

The only neighbor to worry about was the occasional mouse he'd find creeping on the van's roof.



Photo: Ken Ilgunas

"After a while, it just became completely normal. It didn't feel like I was doing anything eccentric."

All along, he was inspired by Henry David Thoreau's solitary lifestyle in the woods. "I was inspired by the very idea of turning the wildest figments of your imagination into something real and creating a life for yourself."

"The van was more than just a way to save money. I wanted it to be an experience, to see how little I could spend. I didn't want to be borrowing money from my parents any time I had a hardship."



Photo: Ken Ilgunas

By his third semester, the solitude had taken its toll. "I was sick and tired of keeping it a secret," he said. "I'd have to make sure no one saw me leaving the van in the morning and no one saw me get in it at night. I always wanted to be a writer and I just kind of recognized that I had this great story to tell."

He decided to write a tell-all in an article for Salon.com. "The next day, I had like 85 new Facebook friends and hundreds of messages and emails," he said.

Duke was none too thrilled, but, fortunately, they didn't kick him out. "They wanted me to sign a contract saying I wouldn't sue them if anything happened to me, but they also created a law that more or less banned future van dwellers from campus," he said.

By his final semester, Ken had nearly made it. But he had just over \$300 left to his name and still needed enough to last him a few months. So he turned himself into a lab rat for hire, volunteering in at least two dozen medical studies that paid \$10 to \$20 an hour for him to undergo cognitive tests, take experimental pills, and have his brains scanned in MRI machines.

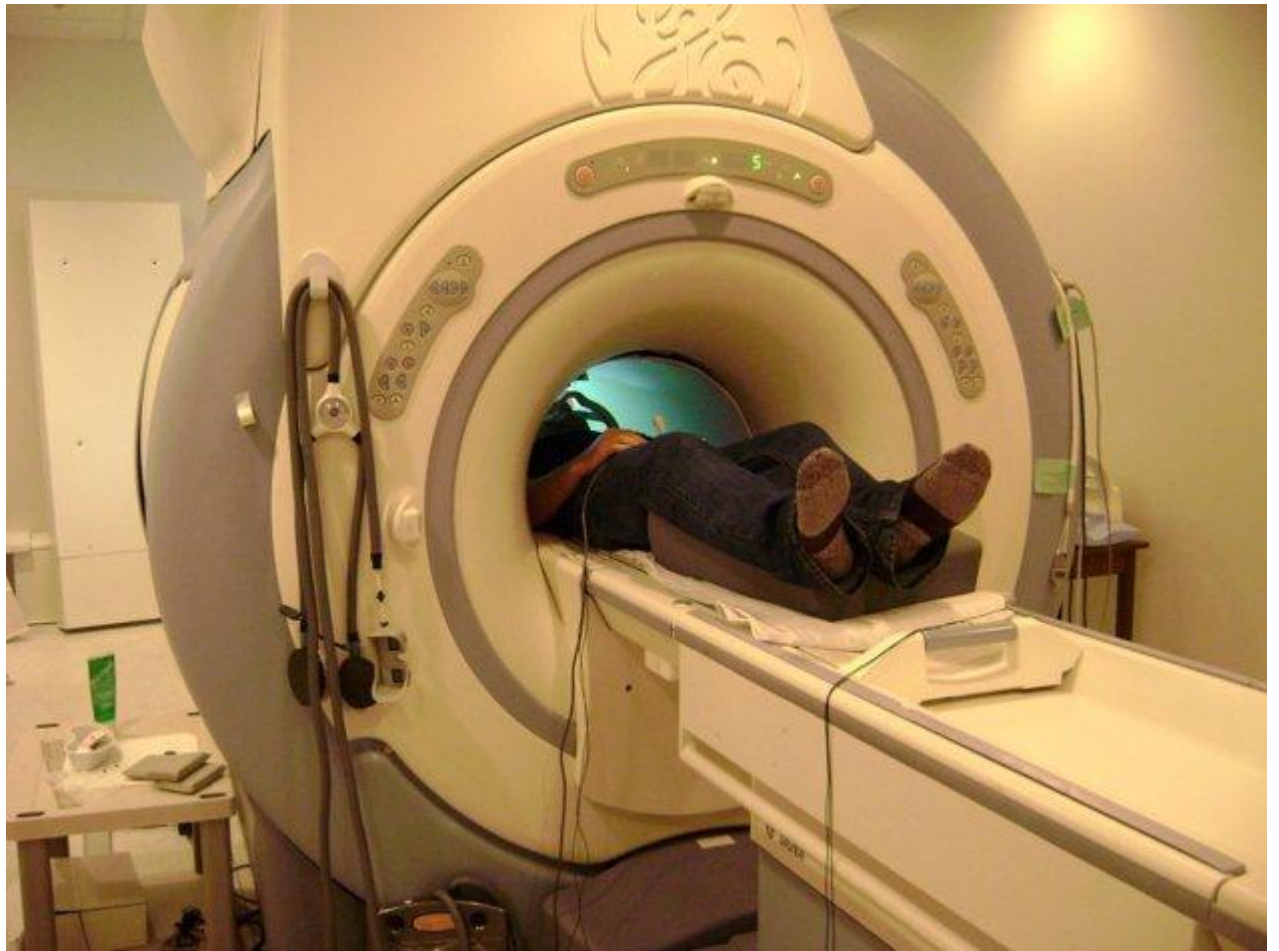


Photo: Ken Ilgunas

But it all paid off. He graduated in May 2011 — completely debt free.

"Some people think of their student debt like a car insurance payment — just something they have to pay each month. I think of it like a ball and chain — something that's keeping you from living a full life."



Photo: Ken Ilgunas

So, where is he now? Ken still resides in North Carolina, where he is working on a second book about his six-month hike along the Keystone Pipeline. (And yes, he still owns that van).



Photo: Ken Ilgunas