IS A QUADPLEX A GOOD REAL ESTATE INVESTMENT?

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[Investing in multifamily homes](https://www.mashvisor.com/blog/investing-in-multifamily-homes-2021/) is one of the best ways of making a good return on investment in real estate. A multifamily home is any property that contains two or more housing units. And because such investment properties have multiple units, you can generally earn more income from them. Common examples of multifamily properties include large apartment complexes, [duplexes](https://www.mashvisor.com/blog/duplexes-for-sale-near-me/), and triplexes. Another type of multifamily property that is worth considering is the quadplex.

What Is a Quadplex?

Also known as a fourplex, a [quadplex](https://www.mashvisor.com/) is basically a multifamily home that is made up of four separate units. This is the big brother of the duplex (two units) and triplex (three units).

Is a Quadplex a Good Investment?

Before [buying a quadplex for rent](https://www.mashvisor.com/), you need to consider the pros and cons of such an investment.

The Advantages of Buying a Quadplex

Here are some of the benefits of investing in a fourplex:

* Ideal for beginner investors – Buying a fourplex is a good entry into the real estate market, especially for beginner investors. Instead of buying separate [single family homes](https://www.mashvisor.com/blog/single-family-homes-vs-multi-family-homes/), you will get a better deal by investing in four attached units. Purchasing four units at once also assures you of a higher rental income and positive cash flow.
* Fewer loans – One major advantage of buying a [quadplex](https://www.mashvisor.com/) is that you only need one mortgage. This loan will be easier to track and manage over time, unlike four separate loans for single family homes. In fact, the fourplex is the largest unit you can purchase with the Federal Housing Administration (FHA) loan which requires [a low down payment](https://www.mashvisor.com/blog/how-to-buy-a-multifamily-property-with-no-money/). However, to qualify for the FHA loan, you must live in one of the units for at least 12 months. This is called the [owner-occupied multifamily strategy](https://www.mashvisor.com/blog/owner-occupied-multi-family-best-strategy/) or house hacking.
* Lower risk of 100% vacancy – When you own a single family property, having a vacancy means a loss of 100% of your rental income. With a quadplex, however, you will still have cash flow even when one or two units are vacant.
* [House hacking](https://www.mashvisor.com/blog/house-hacking-living-free-2021/)– As mentioned, when you buy a [quadplex](https://www.mashvisor.com/), you can use an FHA loan and implement the house hacking strategy. This entails living for free in one of the units and earning rental income from the rest. This income can be used to cover your living expenses and monthly mortgage payments. With time, the property is likely to increase in value and build equity. You can later take a home equity loan, purchase another home to live in, and rent out all the units in the [quadplex](https://www.mashvisor.com/).
* Easier maintenance – If you have four separate single family homes, maintenance can be very costly and time-consuming. With a [fourplex](https://www.mashvisor.com/), everything is under one roof, thus making it much cheaper and easier to maintain.

The Downsides of Buying a Quadplex

* Competition – [Multifamily property](https://www.mashvisor.com/) attracts a lot of interest from seasoned real estate investors. This often results in intense competition, which ends up locking out beginners. Seasoned investors are usually in a position to pay cash and are more willing to waive any purchase contingencies.
* Living next to tenants – If you plan on house hacking, living in one unit and renting out the rest has its downside. By default, you will have to handle the responsibilities of a landlord and property manager. This means advertising vacancies, screening potential tenants, handling repairs, collecting rent, and even evicting tenants. This can be very stressful if you don’t have the time or lack property management skills. In addition, you may not have any privacy since tenants could knock on your door at the most inappropriate time.
* Less tenant care – Tenants in single family properties tend to stay longer. This means that they are more likely to take good care of their homes. On the other hand, quadplexes have a high turnover and renters usually have an ‘apartment mindset’. They therefore may be less responsible with their homes, which could mean more repairs and maintenance.

So, Should You Invest in a Quadplex?

There are definitely some interesting benefits that come along with a quadplex investment. And generally, if you’re ready for the downsides and work to mitigate them from the beginning, a quadplex can make for a great investment.

How to Find a Profitable Quadplex for Sale

Wondering [how to find a fourplex](https://www.mashvisor.com/blog/fourplex-for-sale-find/)? Finding a [quadplex for sale](https://www.mashvisor.com/) that will earn you some serious profit is easy with Mashvisor’s real estate investment tools. Here are some of the tools you’ll need:

Real Estate Heatmap

Location is everything when it comes to real estate investment. The Mashvisor [real estate heatmap](https://www.mashvisor.com/blog/real-estate-heat-map/) will show you the best neighborhoods for investing in a traditional or Airbnb investment property. You can set the multifamily filter to ensure you’re analyzing neighborhoods that currently have small multifamily homes for sale. Then, use filters like cash on cash return and rental income to find a top neighborhood for real estate investing.