

House Hacking: A Smart Real Estate Strategy

House hacking is a popular real estate strategy that allows you to live in a property while renting out part of it to help cover your mortgage and housing costs. It's a great way for first-time buyers and investors in Utah to enter the market, reduce expenses, and build long-term wealth.

What is House Hacking?

House hacking is when you buy a property, live in part of it, and rent out the rest. This could mean owning a duplex, triplex, or fourplex, living in one unit, and renting out the others, or simply renting extra bedrooms in a single-family home.

Benefits of House Hacking

- Lower housing costs – Tenant rents help pay your mortgage
- Easier entry into real estate investing – Use residential financing
- Build equity faster – Mortgage gets paid down while property appreciates
- Tax advantages – Some expenses may be deductible for rental units

Examples of House Hacking

- Buy a fourplex in Salt Lake County, live in one unit, rent the other three
- Purchase a single-family home near a university, rent out bedrooms to students
- Add a basement apartment or ADU (Accessory Dwelling Unit) and rent it for extra income

Things to Consider

- Local zoning and rental regulations (especially for ADUs)
- Responsibilities of being a landlord (repairs, leases, tenant management)
- Occupancy requirements – FHA and other financing may require you to live in the property for at least a year

House hacking is a proven way to make real estate more affordable while building long-term wealth. Whether you're a first-time buyer or an investor, it can be a smart way to grow your portfolio right here in Utah.