

Texas Investor Buyer Basics

A branded quick-reference guide for Texas investors evaluating rentals, long-term holds, value-add opportunities, small multifamily deals, and strategic acquisitions. This guide is built to support smarter due diligence before you commit capital.

Trochilidae Intel™ lens

Use the listing as a starting point - not the answer. Strong investor decisions come from comparing price, financing, taxes, insurance, title, repair scope, rent assumptions, and exit strategy together.

Four investor truths worth checking on every Texas deal

1. Strategy first

A property is only a good investment if it fits the plan. A buy-and-hold deal, short-term value-add, 1031 replacement property, and owner-occupied house-hack all have different standards for financing, rehab tolerance, reserves, and exit timing.

2. Taxes can change the math quickly

Texas property taxes are driven by local taxing units, not a statewide property tax. Investors should underwrite using realistic tax assumptions and not rely on homestead-style savings that are generally tied to a principal residence.

3. Flood and insurance risk belong in underwriting

Standard homeowners insurance typically does not cover flood damage. In many deals, insurance and flood exposure can materially change both monthly carrying cost and long-term risk.

4. Title and survey are not throwaway documents

An owner's title policy can protect against covered title problems from before closing, while the title commitment and survey help identify issues that can affect use, resale, financing, and peace of mind.

Texas investor due-diligence checklist

Use this page as a pre-offer and under-contract screen. It is designed to help you slow down where it matters.

Category	Questions to answer before you buy
Strategy	What is the real plan: hold, BRRRR, resale, small multifamily, 1031 exchange, or land-banked appreciation? What is the exit if the first plan fails?
Financing	If financing, did you compare multiple Loan Estimates instead of looking only at rate? Did you model payment, reserves, lender fees, and closing timeline?
Taxes	What are the current taxes, what is the likely post-purchase tax reality, and are you incorrectly assuming homestead treatment on a non-owner-occupied property?
Insurance	What are the current insurance quotes, deductibles, wind or hail or flood needs, and are there prior claims or property conditions that can affect insurability?
Flood risk	Did you review FEMA mapping and local flood context? If the area is high risk, what does that do to cash flow, financing conditions, and future resale?
Title + survey	Have you reviewed the title commitment, exceptions, easements, restrictions, and survey matters that could affect access, improvements, leasing, or resale?
Income assumptions	Are your rent assumptions supported by real comps, lease condition, location, and likely turnover costs - not just listing optimism?
Condition	What repairs are immediate, what becomes a near-term capital expense, and what hidden issues could break the model after closing?
Exit planning	If market conditions shift, can you still hold, refinance, lease, or sell without forcing a bad outcome?

Best-use note

Trochilidae Intel™ can sit on top of this checklist as an acquisition lens: narrowing the buy box, organizing deal factors, pressure-testing assumptions, and helping you look beyond the listing before you spend time, money, and attention in the wrong place.

Official resource links investors should know

These are strong baseline resources for Texas investor buyers. Always verify deal-specific facts with your lender, title company, insurance professional, CPA, and attorney as appropriate.

CFPB - compare loan offers

<https://www.consumerfinance.gov/owning-a-home/compare/>

CFPB - Loan Estimate explainer

<https://www.consumerfinance.gov/owning-a-home/loan-estimate/>

Texas Comptroller - property tax assistance

<https://comptroller.texas.gov/taxes/property-tax/>

Texas Comptroller - residence homestead exemptions

<https://comptroller.texas.gov/taxes/property-tax/exemptions/>

Texas Comptroller - appraisal protests and appeals

<https://comptroller.texas.gov/taxes/property-tax/protests/>

Texas Department of Insurance - owner's title policy

<https://www.tdi.texas.gov/title/owners-policy.html>

Texas Department of Insurance - title insurance FAQ

<https://www.tdi.texas.gov/title/titlefaqs.html>

FEMA - Flood Map Service Center

<https://msc.fema.gov/>

Texas Department of Insurance - flood insurance basics

<https://www.tdi.texas.gov/tips/flood-insurance-cost.html>

IRS - like-kind exchanges real estate tax tips

<https://www.irs.gov/businesses/small-businesses-self-employed/like-kind-exchanges-real-estate-tax-tips>

IRS - Instructions for Form 8824

<https://www.irs.gov/instructions/i8824>

TREC - One to Four Family Residential Contract (Resale)

<https://www.trec.texas.gov/forms/one-four-family-residential-contract-resale>

Disclaimer: This guide is for general educational purposes only and is not legal, tax, lending, insurance, appraisal, engineering, or investment advice. Program rules, tax treatment, underwriting standards, insurance costs, and contract considerations can change. Always verify current requirements and property-specific risk before making an investment decision.