The informed HOMEBUYER

Updated 2026

A Quick Guide for the Greater Austin & Texas Hill Country Home Buyer

Agreements & Representation
Understand your paperwork and legal representation before touring homes.

Compensation & Value
Real estate fees are negotiable, covering extensive behind-the-scenes professional work.

Texas Purchase Roadmap
A structured process secures your legal options and critical deadlines.

Current Forms & Hill Country Due Diligence
Local updates require separate investigation for rural property systems.

Buyer Checklist & Answers
Review essential closing documents early to avoid last-minute deadline stress.

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Recent changes to Texas real estate forms have made it more important than ever for buyers to understand the homebuying process before signing documents or making an offer. This Quick Guide provides an easy-to-read overview of the topics you'll encounter throughout your transaction. For more detailed explanations, practical examples, and additional resources, scan the QR code to access our complete Homebuyer's Guide.

Want to learn more?

Scan to access the complete Homebuyer's Guide with detailed explanations, timelines, and helpful resources.

Agreements & Representation

Understand your paperwork and legal representation before touring homes.

THE THREE DOCUMENTS BUYERS COMMONLY ENCOUNTER

DOCUMENT	WHAT IT DOES	WHAT TO WATCH
Information About Brokerage Services (IABS)	Texas disclosure notice explaining brokerage relationships and broker contact information.	Disclosure only. Signing or receiving it does not hire an agent.
Buyer/Tenant Representation Agreement	Creates the buyer-broker relationship and defines services, market area, term, exclusivity, termination, and compensation.	Only sign terms that match the actual agreement. Confirm the geographic and property scope.
Non-Representation Showing Agreement	Allows limited, non-exclusive showing access without buyer representation. Texas law limits ashowing-only non-representation agreement to 14 days.	The license holder may provide basic facts, but not opinions, strategy, or transaction advice.

WHO REPRESENTS WHOM?

YOUR BUYER'S AGENT

Represents you within the agreed scope. May advise on price, terms, risks, contingencies, inspections, strategy, and negotiation. The broker owes client-level duties.

THE LISTING AGENT

Represents the seller. Courtesy, disclosures, factual answers, and transmitting an offer do not equal buyer advocacy. Do not disclose leverage or financial limits casually.

?

A simple question to ask:

"Before we discuss the property, please tell me who you represent and whether you can give me advice."

Open-house hosts and agents responding to online inquiries do not automatically represent you.

RECENT BUYER'S AGREEMENT CHANGES

BEFORE YOU TOUR A HOME

National Practice Change
August 17, 2024

Many MLS participants now require a written buyer agreement before an in-person or virtual tour.

BEFORE YOU MAKE AN OFFER

Texas Law
Effective January 1, 2026

Texas generally requires a written agreement before a license holder shows residential property — or, if no property is shown, before presenting an offer.

Compensation & Value

Real estate fees are negotiable, covering extensive behind-the-scenes professional work.

HOW BUYER-BROKER COMPENSATION WORKS

The buyer-representation agreement should state an objectively clear fee or calculation method. It may be a percentage, flat fee, hourly amount, or another clearly ascertainable structure permitted by law and policy. Compensation is negotiable and is not set by law.

POSSIBLE COMPENSATION SOURCES			
SELLER CONTRIBUTION *Negotiated in the sales contract.*	**SELLER-BROKER CONTRIBUTION** *Offered outside the MLS, subject to applicable rules and documentation.*	**BUYER PAYMENT** *The buyer funds some or all of the agreed amount.*	**COMBINATION** *Multiple lawful sources may be used when the documents are consistent.*

EXAMPLES	
FULL CONTRIBUTION *The agreement states a defined fee. The seller contributes the full amount through the contract. The buyer does not separately fund that portion at closing, subject to lender and closing rules.*	**PARTIAL CONTRIBUTION** *The seller contributes less than the agreed fee. The buyer may owe the difference unless the agreement is amended or another lawful arrangement is reached.*

CASH-TO-CLOSE REALITY

A buyer may have strong income and financing but limited cash after the down payment, lender costs, reserves, moving expenses, and repairs. A seller contribution can preserve access to representation, but the seller is not required to agree.

HOW A BUYER'S AGENT ADDS VALUE

BEFORE THE SEARCH
Clarifies timing, financing readiness, priorities, geographic scope, property type, and likely costs.

PROPERTY REVIEW
Analyzes MLS data, disclosures, history, comparable sales, taxes, utilities, restrictions, and property-specific concerns.

OFFER & COMPENSATION STRATEGY
Balances price with earnest money, option fee, closing date, contingencies, appraisal terms, seller contributions, and develops negotiation strategies for buyer-broker compensation.

CONTRACT CONTROL
Tracks deadlines and coordinates signatures, lender, title, inspections, amendments, and required deposits.

DUE DILIGENCE
Organizes inspections and specialist evaluations; helps identify questions for engineers, surveyors, attorneys, insurers, and other experts.

NEGOTIATION + CLOSING
Advocates on price, repairs, credits, appraisal, title, possession, amendments, final walkthrough, and last-minute issues.

What an agent cannot guarantee: property condition, future value, appraisal results, financing approval, insurance availability, repair outcomes, or a seller's response. The value is informed analysis, process control, negotiation, and advocacy - not certainty.

Texas Purchase Roadmap

A structured process secures your legal options and critical deadlines.

1 FINANCIAL PREPARATION
Lender preapproval or proof of funds; estimate down payment, closing costs, reserves, taxes, insurance, and representation costs.

2 CHOOSE REPRESENTATION
Review services, market area, exclusivity, term, termination, and compensation before signing.

3 TOUR + EVALUATE
Compare condition, location, utilities, restrictions, taxes, insurance feasibility, and resale considerations.

4 WRITE + NEGOTIATE
Balance price with timing, financing, option rights, appraisal terms, contributions, and other risk controls.

5 CONTRACT + DEPOSITS
Deliver earnest money and option fee as required. Do not assume weekends or holidays extend every deadline.

6 OPTION + INSPECTIONS
Use the option period strategically. General inspections may lead to specialist evaluations.

7 TITLE + SURVEY + LOAN
Review title commitment, exceptions, survey matters, HOA information, appraisal, underwriting, and insurance.

CLOSING + POSSESSION
Complete the walkthrough, review closing figures, sign, fund, and confirm when possession legally transfers.

BUYING WITHOUT REPRESENTATION

POSSIBLE ADVANTAGES	POTENTIAL RISKS
Direct control over communications and decisions. A sophisticated buyer may already have strong contract, legal, construction, valuation, and transaction resources.	*No independent pricing or offer strategy; missed deadlines; failure to recognize specialist needs; misunderstanding the listing agent's duty; unnecessary disclosure of negotiation leverage.*

A showing-only agreement is not "trial" representation

Under the Texas non-representation framework, the license holder may provide limited property facts but not opinions negotiation strategy, transaction advice, or other brokerage services for the buyer.

Who may be better positioned to proceed alone?

An experienced investor or repeat buyer with strong contract knowledge, established professional advisers, and the ability to evaluate risk may be more comfortable. First-time buyers, out-of-area buyers, and buyers of complex rural property generally face a steeper learning curve.

Current Forms & Hill Country Due Diligence

Local updates require separate investigation for rural property systems.

WHAT BUYERS MAY NOTICE IN MANDATORY TREC FORMS

BEGINNING JULY 1, 2026			
PARAGRAPH 12 *Brokerage compensation is separated from ordinary buyer/seller expenses. The revised structure addresses seller contributions toward buyer-broker compensation and buyer contributions toward seller-broker compensation.*	**WATER-RIGHTS DISCLOSURE** *Contracts address delivery or receipt of the Seller's Disclosure about Groundwater and Surface Water Rights - especially relevant to acreage and rural property.*	**LEGAL HOLIDAY** *A defined Legal Holiday concept applies to specified timing provisions. Buyers should rely on the exact contract, not informal calendar assumptions.*	**OTHER CHANGES** *Government reporting language, updated organization and terminology, generators in applicable improvements language, revised amendment forms, and expanded seller disclosure items.*
Texas REALTORS® buyer-representation forms: Revised association forms became effective June 15, 2026. These are not TREC-promulgated contracts. Buyers should confirm the Market Area, open-house/showing language, source of compensation, term, exclusivity, and termination provisions.			

HILL COUNTRY + ACREAGE INVESTIGATION

🚰 WATER
Public utility, private/shared well, rainwater, hauling, quality, capacity, treatment, and transferability.

🛢️ SEPTIC
Type, permit history, maintenance, capacity, setbacks, drain field, and compatibility with additions.

🛣️ ROADS + ACCESS
Public/private maintenance, recorded access, shared-drive agreements, gates, emergency access, and flood crossings.

📐 SURVEY + EASEMENTS
Boundaries, encroachments, utilities, access easements, pipelines, overhead lines, and improvements.

⛔ RESTRICTIONS + JURISDICTION
Deed restrictions, HOA/POA, city limits, ETJ, subdivision rules, STR rules, and use limits.

💵 TAX VALUATIONS
Agricultural or wildlife-management qualification, transfer, rollback, and ongoing compliance considerations.

🛡️ INSURANCE
Wildfire, roof age, claims, flood exposure, pools, outbuildings, water systems, and property condition.

🌿 LAND + ENVIRONMENT
Floodplain, drainage, soil, karst, protected species, easements, storage tanks, and water rights.

🕵️ "UNRESTRICTED" DOES NOT END THE INVESTIGATION
A property may still be affected by easements, county rules, subdivision restrictions, utility limitations, septic requirements, floodplain regulation, lender conditions, or other legal and practical constraints. Verify the intended use before option rights expire or before making a non-refundable commitment.

Buyer Checklist & Answers

Review essential closing documents early to avoid last-minute deadline stress.

BEFORE SIGNING A BUYER AGREEMENT

- ❑ Broker and agent are correctly identified.
- ❑ Market Area and property type are clear.
- ❑ Start and termination dates are stated.
- ❑ Exclusivity and release provisions are understood.
- ❑ Services are specific enough to evaluate.
- ❑ Compensation is objectively clear.
- ❑ You know what happens if seller-side compensation is lower.

BEFORE MAKING AN OFFER

- ❑ Confirm financing and estimated cash to close.
- ❑ Review disclosures, defects, taxes, restrictions, and utilities.
- ❑ Discuss comparable sales and current competition.
- ❑ Determine inspection and specialist needs.
- ❑ Understand earnest money, option fee, deadlines, appraisal, title, survey, and termination rights.
- ❑ Decide how buyer-broker compensation will be addressed.

QUICK ANSWERS

Do I have to sign before seeing a home?
In Texas, a written agreement is generally required before a license holder shows residential property. It may create representation or limited non-representation.

Does signing lock me in for months?
Not automatically. The term, Market Area, exclusivity, and termination provisions are negotiable. Read the actual form.

Can the seller still contribute toward my agent?
Yes, if negotiated and documented, but the seller is not required to agree.

Will I save money by being unrepresented?
Not necessarily. A seller is not required to reduce the price, and the full economics and risks should be evaluated.

Can I attend an open house without my agent?
Current Texas REALTORS® forms clarify that doing so does not itself violate client obligations, but the broader agreement still applies. Tell the host you are represented.

Is the IABS my buyer agreement?
No. IABS is an agency disclosure notice. Representation requires a separate written agreement.

STAY AN INFORMED HOMEBUYER

Understand the relationship you are entering, the documents you are signing, the compensation you may owe, and the limits of anyone who does not represent you. Ask questions. Use specialists. Read the documents. Know who represents you. Always retain a copy of your signed documents.