

Galveston Second-Home Buying Plan

Second Home & Investment (STR-Aware) • Updated 2026-01-18 • Educational planning guide (not legal, tax, or insurance advice).

Who this is for

Buyers seeking a second home, beach home, or investment property in Galveston County who want a conservative, rule-aware approach that accounts for short-term rental (STR) compliance, wind and flood insurance realities, and underwriting friction.

The 5 non-negotiables (Galveston coastal reality)

- Address-level STR eligibility: jurisdiction, neighborhood overlays, and registration requirements must be verified.
- Insurance underwriting: wind, flood, and homeowners coverage and deductibles must be modeled before committing.
- A conservative revenue model: occupancy and seasonality matter more than peak nightly rates.
- A Plan B: if STR rules or insurance costs change, the property should still function as a second home or long-term rental.
- Document control: permits, windstorm certificates, HOA rules, and disclosures should be reviewed early.

Step-by-step conservative buying workflow

Define your use case

Choose between lifestyle-focused owner use, blended use (owner + STR), or investment-first STR. This decision drives location, property type, and return expectations.

Choose target areas

Shortlist three to five neighborhoods and confirm jurisdiction (City of Galveston, Jamaica Beach, or others). Rules can differ by municipality and neighborhood overlays.

Pre-underwrite before touring

Estimate insurance, taxes, HOA, and conservative revenue using the ROI worksheet before touring properties.

STR rules check (address-level)

Verify whether STR use is allowed at the exact address and what registration requirements apply.

Insurance quotes

Obtain real quotes for wind, flood, and homeowners coverage early in the process.

HOA or condo review

Confirm rental restrictions, approval processes, dues, and special assessments before the option period ends.

Offer strategy and due diligence

Write offers with inspection, document review, and insurance contingencies appropriate to coastal properties.

Operational or occupancy plan

For STRs, confirm local contact requirements, occupancy limits, and safety rules. For owner use, plan maintenance cadence and reserves.

Final underwriting and closing

Re-run the worksheet with final numbers and align insurance binders and registrations before closing.

STR compliance checklist

- Confirm jurisdiction and neighborhood overlays.
- Verify registration requirements and renewal deadlines.
- Designate a local responsible party if required.
- Ensure advertising includes any required registration numbers.
- Understand occupancy limits and bedroom representations.
- Confirm hotel occupancy tax responsibilities.

Insurance and underwriting considerations

- Wind insurance: determine windstorm certificate status and eligibility.
- Flood insurance: confirm flood zone status and lender requirements.
- Deductibles: coastal policies often include percentage deductibles; model worst-case exposure.
- Condos: confirm how master policies interact with individual coverage.

Next step

If you have a target address or shortlist, a conservative deal screen can be run to confirm STR eligibility, insurance planning items, and realistic ROI scenarios before you proceed.