



Agenda Item 16:

Discussion and possible action to adopt amendments and new rules to 22 TAC Chapter 537 as follows:

- a. §537.20 Standard Contract Form TREC No. 9-17, Unimproved Property Contract
- b. §537.22 Standard Contract Form TREC No. 11-8, Addendum for "Back-Up" Contract
- c. §537.28, Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)
- d. §537.30, Standard Contract Form TREC No. 23-19, New Home Contract (Incomplete Construction)
- e. §537.31, Standard Contract Form TREC No. 24-19, New Home Contract (Completed Construction)
- f. §537.32, Standard Contract Form TREC No. 25-16, Farm and Ranch Contract
- g. §537.37, Standard Contract Form TREC No. 30-17, Residential Condominium Contract (Resale)
- h. §537.43, Standard Contract Form TREC No. 36-10, Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- i. §537.46, Standard Contract Form TREC No. 39-10, Amendment to Contract
- j. §537.62, Standard Contract Form TREC No. 55-0, Seller's Disclosure Notice
- k. §537.63, Standard Contract Form TREC No. OP-L, Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards as Required by Federal Law
- l. §537.68, Standard Contract Form TREC No. 61-0, Water Notice: Seller's Disclosure about Groundwater and Surface Water Rights (NEW)
- m. §535.69, Standard Contract Form TREC No. 62-0, Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract (NEW)

Summary:

Each of the rules correspond to contract forms adopted by reference. The Texas Real Estate Broker-Lawyer Committee recommended revisions to the contract forms adopted by reference under the amendments.

The term "generators" has been added to Paragraph 2B, Improvements, to reflect the increased prevalence of generators on properties.



In Paragraph 5A(2), a definition of “Legal Holiday” has been added to provide better clarity. The term is also capitalized in the Addendum for “Back-Up” Contract.

In Paragraph 5 and the receipt page, as well as in the Amendment to Contract and the Addendum for “Back-Up” Contract, the terms “option fee,” “earnest money,” and “contract”, as applicable, are now in lower case because they are not considered defined terms.

A change is made to the seller’s disclosure notice reference in Paragraph 7B for consistency in terminology.

In the Commission’s recent Special-Purpose Review by the Sunset Advisory Commission, Sunset directed the Commission to add language to contract forms to provide prospective buyers with relevant information on groundwater and surface water rights associated with a property. To that end, a new Paragraph 7(I) has been added to the contract forms (not including the Residential Condominium Contract (Resale)) and a new Seller’s Disclosure About Groundwater and Surface Water Rights has been created.

The Sunset Advisory Commission also directed, as part of that review, that the TREC Seller’s Disclosure Notice be updated to: (i) provide a prospective buyer with information on whether the property is presently covered by insurance, including windstorm insurance, and whether the current seller has been unable to insure their property for any reason; (ii) inform a prospective buyer if there is a private road on or adjoining the property that the prospective buyer would be financially responsible for maintaining; (iii) provide a prospective buyer with information on the existence of aboveground storage tanks on the property that are more than 500 gallons and have stored petroleum products or other chemicals; and (iv) tell a prospective buyer whether their property is located in a conservation easement. The Seller’s Disclosure Notice is updated to reflect those directives.

In light of changes to industry practices surrounding compensation, Paragraph 12 has been reworded and reorganized and a new Paragraph 12B has been added related to brokerage compensation. The Amendment to Contract form has been updated to align with these changes and Paragraph 8B has also been removed. Additionally, the disclosure



at the bottom of Page 10 related to compensation between brokers has been removed to help eliminate confusion.

The title of Paragraph 20 has been amended to “Governmental Requirements” from “Federal Requirements” and language has been added to Paragraph 20B, which requires the parties to provide information needed by the escrow agent for any governmental reporting requirements.

Paragraph 21 (Notices) was amended to clarify the acceptable delivery methods and that notices are effective when sent to a party or that party’s agent. The revised paragraph also provides more options for buyer, seller, and agent contact information.

To streamline and improve usability, the committee recommended that all addenda and notices be incorporated into Paragraph 22 and reorganized into clearly labeled categories: Financial, Leases, Additional Tests and Reports, Statutory Disclosures and Notices, and Other. Several references requiring addenda to be attached were removed from Paragraph 6, and one subsection—Paragraph 6(E)(12)—was struck entirely to reduce redundancy.

The Broker Information page (now retitled “Broker Contact Information”) has been further reorganized with updated formatting and terminology to better reflect industry practice.

The terms “Listing Broker” and “Other Broker” have been replaced with the terms “Seller’s Broker” and “Buyer’s Broker” in the Farm and Ranch Contract and the Addendum for Seller’s Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards as Required by Federal Law.

Paragraph H of the Addendum for “Back-Up” Contract is also revised to change the timing of the Amended Effective Date to the date the Seller delivers the notice of termination instead of the date the Buyer receives it. A new Seller’s Notice to Buyer of Removal of Contingency under Addendum for “Back-Up” Contract has been drafted, which may be used in conjunction with this Addendum.



The Addendum for Property Subject to Mandatory Membership in a Property Owners Association has been modified in Paragraph A(2) so that the buyer is not obligated to provide subdivision information to a seller under that provision. Clarifying language is also added to Paragraph C to address any conflicts that may arise. The term “Effective Date” is also capitalized in the form.

Comments:

75 comments were received in total on the proposed changes.

Two comments were generally in support of the proposed changes. One comment raised concerns about the inclusion of “generators” in Paragraph 2B. Two commenters were in support of the inclusion of a definition of “legal holiday,” with one cautioning that using a statutory citation may be more confusing and suggesting that the committee spell out the holidays. One commenter did not like the current seller’s disclosure language in some of the contract forms. The committee discussed, but declined to make changes.

One commenter was against the proposed removal of language referencing a separate addendum in Paragraphs 6E(4), (7), and (9). The committee explained that the language was removed to avoid redundancy with the proposed language in Paragraph 22.

Regarding Paragraph 12, seven comments were generally against the proposed changes. 17 comments (some from the same commenter) stated that the change was confusing with six suggesting the language should be modeled after the Texas Realtors’ Commercial Contract and one suggesting that language be added to clarify whether the amount will be reduced because of language in the listing agreement. Three commenters wanted the language in the paragraph to be reordered. Four commenters did not see the utility of the language in Paragraph 12B(2), which allows a buyer to contribute to compensation owed by a seller. One commenter liked the changes, but requested that the paragraphs be reordered and the language further stress that it will not change the parties’ obligations to pay. The committee discussed, but noted that these issues were previously considered and declined to make any changes as a result of these comments. Four comments specifically noted the Farm and Ranch Contract and asked for changes to the paragraph in light of the ratification and payment language in that contract, with one wanting the other contracts to be modeled after the Farm and Ranch Contract. The committee discussed and decided to change the language in the Broker’s Fee section of the Farm and Ranch Contract to read “DO NOT SIGN IF THERE IS A SEPARATE AGREEMENT



FOR PAYMENT OF BROKERS' FEES OR IF CONTRIBUTIONS ARE TO BE PAID UNDER PARAGRAPH 12B(1) OR (2)." Two commenters requested that 12(B) not be restricted to only checking one box (either the percentage or flat fee box) as compensation might include a percentage and a bonus reflected as a flat fee. The committee declined to make this change, stating that less common situation could be accommodated with the current proposed language.

Regarding Paragraph 7(l), one comment (submitted on behalf of several entities, including two groundwater conservation districts and one water authority) was generally in support of the proposed language. Five commenters found the language to be confusing, with one mentioning confusion between the notice in this paragraph and other notices in the contract. The committee discussed and decided to remove the words "Water Notice:" from the title of the new form (now titled "Seller's Disclosure About Groundwater and Surface Water Rights"), as well as the defined term in the paragraph itself for clarity from "(Water Notice)" to "(Seller's Water Disclosure)". One commenter expressed confusion over where to disclose certain information previously disclosed on Paragraph 6. The committee pointed out that that language had moved to Paragraph 22. One commenter was generally against this language and the accompanying form absent a statutory change and also questioned the inclusion of the language in the Residential Condominium Contract (Resale). The committee agreed that the language should be removed from the condominium contract. This commenter also recommended that the language be reordered and reworded in this paragraph to make the provision less confusing. The committee discussed and decided to alter the language in Paragraph 7l(3) to read "Seller is not required to deliver" instead of "Seller will not deliver."

Regarding the Seller's Disclosure About Groundwater and Surface Water Rights, one comment (submitted on behalf of several entities, including two groundwater conservation districts and one water authority) was generally in support of the new form. Another commenter was generally in support of the form, but suggested the form contain instructions related to the incompleteness of state records and that the Commission should address the transfer of wells. One commenter had a question about use of the form in an underground water conservation district. Seven commenters found the form to be confusing and four expressed concerns about sellers being able to complete this form. The committee discussed, but declined to make changes at this time. One commenter suggested clarifying changes to terminology, including specifying that Paragraph 2B(4) of the form should include the term "if applicable." The committee



discussed these comments, and as a result, the committee decided to modify the language to read “Identify any registrations” from “Identify the registrations” in Paragraph 2B(4).

Regarding Paragraph 20(B), one commenter was concerned with the obligation that the buyer pays any associated charges. The committee discussed. In light of a recent court order setting aside the new rules from the Financial Crimes Enforcement Network or FinCEN, the committee modified the title of paragraph 20 (to Governmental Requirements), modified the parenthetical to remove reference to FinCEN specifically, and removed the language creating the obligation that the buyer pay the associated charges.

Regarding Paragraph 21, one commenter was generally in support of the changes. One commenter thought the language in Paragraph 21 was redundant. One commenter suggested that there should be two lines for phone numbers in Paragraph 21. Another commenter suggested that the language be revised to add “or their agent” to further clarify that notices can be sent from one agent to another and be effective under this paragraph. The committee agreed with these latter two suggestions.

Regarding Paragraph 22, three commenters asked for additional forms to be added to the list of forms. The committee declined to do so as the requested forms were not Commission forms. Another commenter found the changes to be confusing. Finally, another commenter generally liked the concept of the revised paragraph, but thought the order should be alphabetical and had concerns with the addition of the language formerly found in Paragraph 6E(12) being incorporated here. The committee discussed, but made no changes.

Regarding the Broker Information page, one commenter wanted the designated broker to be listed. Another commenter expressed concern about the reformatting of the page—stating that the revision was more difficult to read. One commenter expressed concern about the intermediary section and the inability to list different assumed names. The committee discussed and decided to retitle the section as “Broker Contact Information” and bold certain terms for improved readability.

Regarding the Addendum for “Back-Up” Contract, one commenter liked the change in Paragraph H, but questioned the consistency of the terminology used. Another comment requested that an optional section be added creating a “floating” closing date. The



committee made no changes to the language at this time, but decided to look at the issue of consistent terminology more globally at a future meeting.

Regarding the Addendum for Property Subject to Mandatory Membership in a Property Owners Association, one commenter was concerned there would be confusion with the term “actual receipt,” had recommendations for Paragraphs B and D, and was generally in support of the additional clarifying language in Paragraph C. The committee discussed but made no change as a result of this comment.

Regarding the Amendment to Contract, two comments were received. One commenter suggested clarifying language be added to Paragraphs 1 and 7. The other commenter was generally against the proposed change to Paragraph 5. The committee discussed but made no changes at this time as a result of these comments, but will discuss the suggestion to Paragraph 6 at a later meeting. The term “option fee” is now in lower case on the form for consistency with other contract form changes.

Regarding the Seller’s Disclosure Notice, six comments were received. Three commenters were generally in support of the proposed changes, with one requesting an additional disclosure related to changes that might impact the property. One commenter requested additional disclosures related to the HVAC system, while another commenter requested additional disclosures related to CO2 disclosures. The committee discussed and declined to make changes, noting that it is generally the policy of the committee to mirror the requirements of Texas Property Code §5.008. One commenter was generally against the proposed changes, citing concerns about the Commission promulgating a notice that goes beyond the minimum requirements of Texas Property Code §5.008 and suggested that clarifying language be added to the footer of the form, advising that the form now contains more than the minimum statutory requirements. The committee discussed and declined to make changes at this time.

Regarding the Addendum for Seller’s Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards as Required by Federal Law, one comment was received and requested that clarifying changes be made throughout this form. The committee discussed, but declined to make changes at this time. The committee will consider changes at a future meeting.

Regarding the new Seller’s Notice to Buyer of Removal of Contingency Under Addendum for “Back-Up” Contract, five commenters were generally in support of the form, with one commenter asking a question regarding the uniformity of the headers on the forms (the



committee noted they would review this issue at a future meeting). One commenter requested the title of the form be changed. The committee discussed and made no changes as a result of these comments.

The Texas Real Estate Broker-Lawyer Committee recommends the amendments and new rules, including the forms adopted by reference, be adopted.

Staff Recommendation:

Authorize staff, on behalf of the Commission, to submit for adoption, amendments and new rules to 22 TAC Chapter 537 and the forms adopted by reference, as presented, to the *Texas Register*, along with any technical or non-substantive changes required for adoption. Forms adopted for voluntary use may be used once posted on the agency's website. The remaining forms will also be available for voluntary use once posted, until July 1, 2026, when their use becomes mandatory.

Motion:

MOVE, that the Commission approve Staff's recommendation.

MOVE, that the Commission approve Staff's recommendation with the following changes:

_____.

MOVE, that the Commission not approve Staff's recommendation.



AGENDA ITEM 16

**ADOPTED RULE ACTION FROM THE MAY 4, 2026, MEETING OF THE COMMISSION
CHAPTER 537 PROFESSIONAL AGREEMENTS AND STANDARD CONTRACTS**

- §537.20, Standard Contract Form TREC No. 9-17, Unimproved Property Contract;**
- §537.22, Standard Contract Form TREC No. 11-8, Addendum for "Back-Up" Contract;**
- §537.28, Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale);**
- §537.30, Standard Contract Form TREC No. 23-19, New Home Contract (Incomplete Construction);**
- §537.31, Standard Contract Form TREC No. 24-19, New Home Contract (Completed Construction);**
- §537.32, Standard Contract Form TREC No. 25-16, Farm and Ranch Contract;**
- §537.37, Standard Contract Form TREC No. 30-17, Residential Condominium Contract (Resale);**
- §537.43, Standard Contract Form TREC No. 36-10, Addendum for Property Subject to Mandatory Membership in a Property Owners Association;**
- §537.46, Standard Contract Form TREC No. 39-10, Amendment to Contract;**
- §537.62, Standard Contract Form TREC No. 55-0, Seller's Disclosure Notice;**
- §537.63, Standard Contract Form TREC No. OP-L, Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards as Required by Federal Law;**
- §537.68, Standard Contract Form TREC No. 61-0, Water Notice: Seller's Disclosure about Groundwater and Surface Water Rights (NEW); and**
- §537.69, Standard Contract Form TREC No. 62-0, Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract (NEW)**

§537.20. Standard Contract Form TREC No. 9-18~~[9-17]~~, Unimproved Property Contract.

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. 9-18~~[9-17]~~ approved by the Commission in 2026~~[2024]~~ for mandatory use in the sale of unimproved property where the intended use is for one to four family residences.

§537.22. Standard Contract Form TREC No. 11-9~~[11-8]~~, Addendum for "Back-Up" Contract.

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. 11-9~~[11-8]~~ approved by the Commission in 2026~~[2024]~~ for mandatory use as an addendum to be attached to promulgated forms of contracts which are second or "back-up" contracts.

§537.28. Standard Contract Form TREC No. 20-19~~[20-18]~~, One to Four Family Residential Contract (Resale).

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. 20-19~~[20-18]~~ approved by the Commission in 2026~~[2024]~~ for mandatory use in the resale of residential real estate.

§537.30. Standard Contract Form TREC No. 23-20~~[23-19]~~, New Home Contract (Incomplete Construction).

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. 23-20~~[23-19]~~ approved by the Commission in 2026~~[2024]~~ for mandatory use in the sale of a new home where construction is incomplete.

§537.31. Standard Contract Form TREC No. [24-20](#)~~[24-19]~~, New Home Contract (Completed Construction).

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. [24-20](#)~~[24-19]~~ approved by the Commission in [2026](#)~~[2024]~~ for mandatory use in the sale of a new home where construction is completed.

§537.32. Standard Contract Form TREC No. [25-17](#)~~[25-16]~~, Farm and Ranch Contract.

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. [25-17](#)~~[25-16]~~ approved by the Commission in [2026](#)~~[2024]~~ for mandatory use in the sale of a farm or ranch.

§537.37. Standard Contract Form TREC No. [30-18](#)~~[30-17]~~, Residential Condominium Contract (Resale).

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. [30-18](#)~~[30-17]~~ approved by the Commission in [2026](#)~~[2024]~~ for mandatory use in the resale of a residential condominium unit.

§537.43. Standard Contract Form TREC No. [36-11](#)~~[36-10]~~, Addendum for Property Subject to Mandatory Membership in a Property Owners Association.

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. [36-11](#)~~[36-10]~~ approved by the Commission in [2026](#)~~[2022]~~ for mandatory use as an addendum to be added to promulgated forms in the sale of property subject to mandatory membership in an owners' association.

§537.46. Standard Contract Form TREC No. [39-11](#)~~[39-10]~~, Amendment to Contract.

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. [39-11](#)~~[39-10]~~ approved by the Commission in [2026](#)~~[2024]~~ for mandatory use as an amendment to promulgated forms of contracts.

§537.62. Standard Contract Form TREC No. [55-1](#)~~[55-0]~~, Seller's Disclosure Notice.

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. [55-1](#)~~[55-0]~~ approved by the Commission in [2026](#)~~[2023]~~ for voluntary use to fulfill the disclosure requirements of Texas Property Code §5.008.

§537.63. Standard Contract Form TREC No. [56-0](#)~~[OP-1]~~, Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards as Required by Federal Law.

The Texas Real Estate Commission (Commission) adopts by reference standard contract form TREC No. [56-0](#)~~[OP-1]~~ approved by the Commission in [2026](#)~~[2011]~~ for voluntary use to comply with federal regulation to furnish a lead paint disclosure in properties constructed prior to 1978.

[§537.68. Standard Contract Form TREC No. 61-0, Seller's Disclosure about Groundwater and Surface Water Rights.](#)

[The Texas Real Estate Commission \(Commission\) adopts by reference standard contract form TREC No. 61-0 approved by the Commission in 2026 for mandatory use to provide information regarding groundwater and surface water rights associated with the property.](#)

[§537.69. Standard Contract Form TREC No. 62-0, Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract.](#)

[The Texas Real Estate Commission \(Commission\) adopts by reference standard contract form TREC No. 62-0 approved by the Commission in 2026 for voluntary use as a notice to a buyer under a "back-up" contract that the first contract is terminated, and the back-up contract is now the primary contract.](#)



UNIMPROVED PROPERTY CONTRACT
NOTICE: Not For Use For Condominium Transactions



1. PARTIES: The parties to this contract are _____ (Seller) and _____ (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY: Lot _____, Block _____, Addition, City of _____, County of _____, Texas, known as _____ (address/zip code), or as described on attached exhibit together with all rights, privileges and appurtenances pertaining thereto (Property).

RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. SALES PRICE:

- A. Cash portion of Sales Price payable by Buyer at closing\$ _____
The term "Cash portion of the Sales Price" does not include proceeds from borrowing of any kind or selling other real property except as disclosed in this contract.
- B. Sum of all financing described in the attached: Third Party Financing Addendum, Loan Assumption Addendum, Seller Financing Addendum\$ _____
- C. Sales Price (Sum of A and B)\$ _____
- D. The Sales Price will will not be adjusted based on the survey required by Paragraph 6C. If the Sales Price is adjusted, the Sales Price will be adjusted based on the difference between _____ acres and the acreage set forth in the survey required by Paragraph 6C. The difference in acreage (either increased or decreased) shall be multiplied by the sum of \$ _____ per acre and either added to or subtracted from the Sales Price stated in Paragraph 3C. If the Sales Price is adjusted by more than 10%, either party may terminate this contract by providing written notice to the other party within _____ days after the terminating party receives the survey. If neither party terminates this contract or if the variance is 10% or less, the adjustment will be made to the amount in 3A 3B proportionately to 3A and 3B.

4. LEASES:

- A. Except as disclosed in this contract, Seller is not aware of any leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property.
- B. NATURAL RESOURCE LEASES: "Natural Resource Lease" means an existing oil and gas, mineral, geothermal, water, wind, or other natural resource lease affecting the Property to which Seller is a party. Seller is is not a party to a Natural Resource Lease. If Seller is a party to a Natural Resource Lease, check one of the following:
 - (1) Seller has delivered to Buyer a copy of all the Natural Resource Leases.
 - (2) Seller has not delivered to Buyer a copy of all the Natural Resource Leases. Seller shall provide to Buyer a copy of all the Natural Resource Leases within 3 days after the Effective Date. Buyer may terminate the contract within _____ days after the date the Buyer receives all the Natural Resource Leases and the earnest money shall be refunded to Buyer.

5. EARNST MONEY AND TERMINATION OPTION:

- A. DELIVERY OF EARNST MONEY AND OPTION FEE: Within 3 days after the Effective Date, Buyer must deliver to _____ (Escrow Agent) at _____ (address): \$ _____ as earnest money and \$ _____ as the option fee[Option-Fee]. The earnest money and option fee[Option-Fee] shall be made payable to Escrow Agent and may be paid separately or combined in a single payment.
 - (1) Buyer shall deliver additional earnest money of \$ _____ to Escrow Agent within _____ days after the Effective Date of this contract.
 - (2) If the last day to deliver the earnest money, option fee[Option-Fee], or the additional earnest money falls on a Saturday, Sunday, or Legal Holiday[legal holiday], the time to deliver the earnest money, option fee[Option-Fee], or the additional earnest money, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or Legal Holiday[legal holiday]. "Legal Holiday" means a legal holiday described in Sections 662.003(a) and 662.003(b)(4) and (6), Texas Government Code.
 - (3) The amount(s) Escrow Agent receives under this paragraph shall be applied first to the option fee[Option-Fee], then to the earnest money, and then to the additional earnest money.
 - (4) Buyer authorizes Escrow Agent to release and deliver the option fee[Option-Fee] to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the option fee[Option-Fee] to Seller. The option fee[Option-Fee] will be credited to the Sales Price at closing.

[11-04-2024]

(Address of Property)

- B. TERMINATION OPTION: For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the option fee [Option Fee] within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If Buyer gives notice of termination within the time prescribed: (i) the option fee [Option Fee] will not be refunded and Escrow Agent shall release any option fee [Option Fee] remaining with Escrow Agent to Seller; and (ii) any earnest money will be refunded to Buyer.
- C. FAILURE TO TIMELY DELIVER EARNEST MONEY: If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money.
- D. FAILURE TO TIMELY DELIVER OPTION FEE: If no dollar amount is stated as the option fee [Option Fee] or if Buyer fails to deliver the option fee [Option Fee] within the time required, Buyer shall not have the unrestricted right to terminate this contract under this Paragraph 5.
- E. TIME: **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**

6. TITLE POLICY AND SURVEY:

- A. TITLE POLICY: Seller shall furnish to Buyer at Seller's Buyer's expense an owner's policy of title insurance (Title Policy) issued by _____ (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
 - (1) Restrictive covenants common to the platted subdivision in which the Property is located.
 - (2) The standard printed exception for standby fees, taxes and assessments.
 - (3) Liens created as part of the financing described in Paragraph 3.
 - (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
 - (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
 - (6) The standard printed exception as to marital rights.
 - (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
 - (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:
 - (i) will not be amended or deleted from the title policy; or
 - (ii) will be amended to read, "shortages in area" at the expense of Buyer Seller.
 - (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.
- B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.
- C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)
 - (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit or Declaration promulgated by the Texas Department of Insurance (T-47 Affidavit or T-47.1 Declaration). Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date if Seller fails to furnish within the time prescribed both the: (i) existing survey; and (ii) affidavit or declaration. If the Title Company or Buyer's lender does not accept the existing survey, or the affidavit or declaration, Buyer shall obtain a new survey at Seller's Buyer's expense no later than 3 days prior to Closing Date.
 - (2) Within _____ days after the Effective Date of this contract, Buyer may obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier. If Buyer fails to obtain the survey, Buyer may not terminate the contract under Paragraph 2B of the Third Party Financing Addendum because the survey was not obtained.
 - (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.
- D. OBJECTIONS: Buyer may object in writing to (i) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; or disclosed in the Commitment other than items 6A(1) through (9) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity:

[11-04-2024]

(Address of Property) _____

Buyer must object the earlier of (i) the Closing Date or (ii) _____ days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

(1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.

(2) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property is is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association should be used.

(3) STATUTORY TAX DISTRICTS: If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.

(4) TIDE WATERS: If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. ~~[An addendum containing the notice promulgated by TREC or required by the parties must be used.]~~

(5) ANNEXATION: If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.

(6) PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER: Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be

(Address of Property)

required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.

- (7) PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. ~~[An addendum containing the required notice shall be attached to this contract.]~~
- (8) TEXAS AGRICULTURAL DEVELOPMENT DISTRICT: The Property is is not located in a Texas Agricultural Development District. For additional information, contact the Texas Department of Agriculture.
- (9) TRANSFER FEES: If the Property is subject to a private transfer fee obligation, §5.205, Property Code requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (10) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. ~~[An addendum containing the notice approved by TREC or required by the parties should be used.]~~
- (11) NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."

~~[(12)REQUIRED NOTICES: The following notices have been given or are attached to this contract (for example, utility, water, drainage, and public improvement districts): _____ Seller's failure to provide applicable statutory notices may provide Buyer with remedies or rights to terminate the contract.]~~

7. PROPERTY CONDITION:

A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.

NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

B. ACCEPTANCE OF PROPERTY CONDITION: "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- (1) Buyer accepts the Property As Is.
- (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

C. COMPLETION OF REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, Seller shall complete all agreed repairs and treatments prior to the Closing Date and obtain any required permits. The repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. Seller shall: (i) provide Buyer with copies of documentation from the repair person(s) showing the scope of work and payment for the work completed; and (ii) at Seller's expense, arrange for the transfer of any transferable warranties with respect to the repairs and treatments to Buyer at closing. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days, if necessary, for Seller to complete repairs and treatments.

D. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

E. SELLER'S DISCLOSURE:

- (1) Seller is is not aware of any flooding of the Property which has had a material adverse effect on the use of the Property.
- (2) Seller is is not aware of any pending or threatened litigation, condemnation, or special assessment affecting the Property.
- (3) Seller is is not aware of any environmental hazards that materially and adversely affect the Property.
- (4) Seller is is not aware of any dumpsite, landfill, or underground tanks or containers now or previously located on the Property.
- (5) Seller is is not aware of any wetlands, as defined by federal or state law or regulation, affecting the Property.

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- (6) Seller is is not aware of any threatened or endangered species or their habitat affecting the Property.
 - (7) Seller is is not aware that the Property is located wholly partly in a floodplain.
 - (8) Seller is is not aware that a tree or trees located on the Property has oak wilt.
- If Seller is aware of any of the items above, explain (attach additional sheets if necessary): _____

F. SELLER'S DISCLOSURE ABOUT GROUNDWATER AND SURFACE WATER RIGHTS (Seller's Water Disclosure): Access to surface water or groundwater on the Property may be regulated, restricted, or prohibited, including but not limited to the right to drill or operate water wells and the right to withdraw water from surface water sources on or adjoining the Property. The parties shall use the Seller's Water Disclosure published by TREC to identify information related to groundwater and surface water rights. (Check one box only)

- (1) Buyer has received the Seller's Water Disclosure.
- (2) Buyer has not received the Seller's Water Disclosure. Within _____ days after the Effective Date of this contract, Seller shall deliver the Seller's Water Disclosure to Buyer. If Buyer does not receive the Seller's Water Disclosure, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the Seller's Water Disclosure, Buyer may terminate this contract for any reason within 7 days after Buyer receives the Seller's Water Disclosure or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.
- (3) Seller is not required to deliver the Seller's Water Disclosure to Buyer because all of the following are true:
 - (a) Seller is not aware of a water well on the Property (in use or not in use);
 - (b) Seller is not aware of a pond, lake, or water tank on the Property;
 - (c) Seller is not aware of any certificate of adjudication, certified filing, or permit for surface water rights associated with the Property administered by the Texas Commission on Environmental Quality;
 - (d) Seller is not aware that any groundwater rights to the Property have been severed, sold, or leased in whole or in part; and
 - (e) the Property receives water only from the following municipality (City), municipal utility district (MUD) or other special district, water supply corporation (WSC), or private water supply company (PWC): _____

8. BROKER OR SALES AGENT DISCLOSURE: ~~BROKERS AND SALES AGENTS:~~

~~[A. BROKER OR SALES AGENT DISCLOSURE:]~~ Texas law requires a real estate broker or sales agent who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the broker or sales agent owns more than 10%, or a trust for which the broker or sales agent acts as a trustee or of which the broker or sales agent or the broker or sales agent's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____

~~[B. BROKERS' FEES: All obligations of the parties for payment of brokers' fees are contained in separate written agreements.]~~

9. CLOSING:

A. The closing of the sale will be on or before _____, 20____, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales Price in good funds acceptable to the Escrow Agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents, transfer of any warranties, and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
- (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
- (5) Private transfer fees (as defined by Chapter 5, Subchapter G of the Texas Property Code) will be the obligation of Seller unless provided otherwise in this contract. Transfer fees assessed by a property owners' association are governed by the Addendum for Property Subject to Mandatory Membership in a Property Owners Association.

10. POSSESSION: Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.

11. SPECIAL PROVISIONS: (This paragraph is intended to be used only for additional informational items. An informational item is a statement that completes a blank in a contract form, discloses factual information, or provides instructions. Real estate brokers and sales agents are prohibited from practicing law and shall not add to, delete, or modify any provision of this contract unless drafted by a party to this contract or a party's attorney.) _____

12. SETTLEMENT AND OTHER EXPENSES:

A. **EXPENSES:** The following expenses must be paid at or prior to closing:

- (1) Seller shall pay the following expenses (Seller's Expenses):

(a) releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; ~~[brokerage fees that Seller has agreed to pay;]~~ and other expenses payable by Seller under this contract; and

~~[(b) the following amount to be applied to brokerage fees that Buyer has agreed to pay: \$ _____ or _____ % of the Sales Price (check one box only); and]~~

(b) [(e)] an amount not to exceed \$ _____ to be applied to [other] Buyer's Expenses other than brokerage compensation or contributions under Paragraph 12B below.

(2) Buyer shall pay the following expenses (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; ~~[brokerage fees that Buyer has agreed to pay;]~~ and other expenses payable by Buyer under this contract.

B. BROKERAGE COMPENSATION: Brokerage compensation is not set by law and is fully negotiable. Each party shall pay their respective brokers pursuant to the terms of the parties' obligations to compensate their brokers contained in separate written agreements. The contributions under 12B(1) and 12B(2) below shall be applied to and shall not change the parties' obligations to pay compensation pursuant to those agreements. The following contributions must be paid at closing:

(1) Seller will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Buyer to Buyer's broker.

(2) Buyer will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Seller to Seller's broker.

~~[B.If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.]~~

C. EXPENSE LIMITATION: If a governmental loan program regulation prohibits Buyer from paying charges or fees, then the amount of any concession in 12A(1)(b) shall be first applied to pay such prohibited expenses and then to other Buyer's Expenses but not brokerage compensation or contribution.

13. PRORATIONS AND ROLLBACK TAXES:

A. PRORATIONS: Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues (including prepaid items) will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.

B. ROLLBACK TAXES: If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Assessments are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: A Buyer, Seller, Listing Broker, Other Broker, or Escrow Agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:

- A. ESCROW: The Escrow Agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as Escrow Agent. Escrow Agent may require any disbursement made in connection with this contract to be conditioned on Escrow Agent's collection of good funds acceptable to Escrow Agent.
- B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, Escrow Agent may: (i) require a written release of liability of the Escrow Agent from all parties before releasing any earnest money; and (ii) require payment of unpaid expenses incurred on behalf of a party. Escrow Agent may deduct authorized expenses from the earnest money payable to a party. "Authorized expenses" means expenses incurred by Escrow Agent on behalf of the party entitled to the earnest money that were authorized by this contract or that party.
- C. DEMAND: Upon termination of this contract, either party or the Escrow Agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the Escrow Agent. If either party fails to execute the release, either party may make a written demand to the Escrow Agent for the earnest money. If only one party makes written demand for the earnest money, Escrow Agent shall promptly provide a copy of the demand to the other party. If Escrow Agent does not receive written objection to the demand from the other party within 15 days, Escrow Agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and Escrow Agent may pay the same to the creditors. If Escrow Agent complies with the provisions of this paragraph, each party hereby releases Escrow Agent from all adverse claims related to the disbursement of the earnest money.
- D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the Escrow Agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- E. NOTICES: Escrow Agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by Escrow Agent.

19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

20. GOVERNMENTAL [FEDERAL] REQUIREMENTS:

- A. If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.
- B. Seller and Buyer shall promptly execute and deliver any statements, documents, and information requested by Escrow Agent required by governmental reporting requirements (for example, reporting to the U.S. Treasury or its bureaus).

21. NOTICES: All notices from one party or their agent to the other must be in writing. Notices [and] are effective when mailed [to], hand-delivered [at], sent by overnight courier to, or transmitted by [fax-or] electronic transmission to the other party or their agent. [as follows:]

To Buyer(s) at:

Address: _____

Phone(s): _____

Email(s): _____

To Buyer's agent at:

Address: _____

Phone: _____

Email: _____

To Seller(s) at:

Address: _____

Phone(s): _____

Email(s): _____

To Seller's agent at:

Address: _____

Phone: _____

Email: _____

To Buyer at: _____

To Seller at: _____

Phone: _____ (____)

Phone: _____ (____)

E-mail/Fax: _____

E-mail/Fax: _____

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Buyer's agent at: _____

With a copy to Seller's agent at: _____

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda and notices which are a part of this contract are (check all applicable boxes):

Financial

- Third Party Financing Addendum
- Addendum for Sale of Other Property by Buyer
- Addendum Concerning Right to Terminate Due to Lender's Appraisal
- Seller Financing Addendum
- Addendum for Section 1031 Exchange
- Short Sale Addendum
- Loan Assumption Addendum
- Addendum for Release of Liability on Assumed Loan and/or Restoration of Seller's VA Entitlement

Leases

- Addendum Regarding Residential Leases
- Addendum Regarding Fixture Leases
- Buyer's Temporary Residential Lease
- Seller's Temporary Residential Lease

Additional Tests and Reports

- Addendum for Authorizing Hydrostatic Testing
- Environmental Assessment, Threatened or Endangered Species, and Wetlands Addendum

Statutory Disclosures and Notices

- Addendum for Property in a Propane Gas System Service Area
- Addendum for Property Located Seaward of the Gulf Intercoastal Waterway
- Addendum for Coastal Area Property
- The following utility, water, drainage, public improvement, and other district notices (list all that have been given or are attached): _____

NOTICE: Seller's failure to provide applicable Statutory Disclosures and Notices may provide Buyer with remedies or rights to terminate this contract.

Other

- Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- Non-Realty Items Addendum
- Addendum for "Back-Up" Contract
- Addendum for Reservation of Oil, Gas, and Other Minerals
- Other: _____

- ~~Third Party Financing Addendum~~
- ~~Seller Financing Addendum~~
- ~~Addendum for Property Subject to Mandatory Membership in a Property Owners Association~~
- ~~Buyer's Temporary Residential Lease~~
- ~~Seller's Temporary Residential Lease~~
- ~~Addendum for Reservation of Oil, Gas and Other Minerals~~
- ~~Addendum for "Back-Up" Contract~~
- ~~Addendum Concerning Right to Terminate Due to Lender's Appraisal~~
- ~~Addendum containing Notice of Obligation to Pay Improvement District Assessment~~

- ~~Addendum for Coastal Area Property~~
- ~~Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum~~
- ~~Addendum for Property Located Seaward of the Gulf Intracoastal Waterway~~
- ~~Addendum for Sale of Other Property by Buyer~~
- ~~Addendum for Property in a Propane Gas System Service Area~~
- ~~Addendum for Section 1031 Exchange~~
- ~~Other (list): _____~~
~~_____~~
~~_____~~

23. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate brokers and sales agents from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's
Attorney is: _____

 Phone: () _____
 Fax: () _____
 E-mail: _____

Seller's
Attorney is: _____

 Phone: () _____
 Fax: () _____
 E-mail: _____

EXECUTED the _____ day of _____, 20_____ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

Buyer

Seller

Buyer

Seller



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. ~~9-18[9-17]~~. This form replaces TREC NO. ~~9-17[9-16]~~.

BROKER CONTACT INFORMATION
(Print name(s) only. Do not sign)

The brokers to this sale are:

(Broker Firm) **represents Seller only as Seller's agent.**

Address: _____
 Broker Firm License No.: _____
 Associate's Name: _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

(Broker Firm) **represents Buyer only as Buyer's agent.**

Address: _____
 Broker Firm License No.: _____
 Associate's Name: _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

Intermediary

(Broker Firm) **represents Seller and Buyer as an intermediary.**

Address: _____
 Broker Firm License No.: _____
 Associate's Name (for Seller): _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

Associate's Name (for Buyer): _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

BROKER INFORMATION
(Print name(s) only. Do not sign)

Other Broker Firm _____ License No. _____

Listing Broker Firm _____ License No. _____

represents Buyer only as Buyer's agent
 Seller as Listing Broker's subagent

represents Seller and Buyer as an intermediary
 Seller only as Seller's agent

Associate's Name _____ License No. _____

Listing Associate's Name _____ License No. _____

Team Name _____

Team Name _____

Associate's Email Address _____ Phone _____

Listing Associate's Email Address _____ Phone _____

Licensed Supervisor of Associate _____ License No. _____

Licensed Supervisor of Listing Associate _____ License No. _____

Other Broker's Address _____ Phone _____

Listing Broker's Office Address _____ Phone _____

City _____ State _____ Zip _____

City _____ State _____ Zip _____

Selling Associate's Name _____ License No. _____

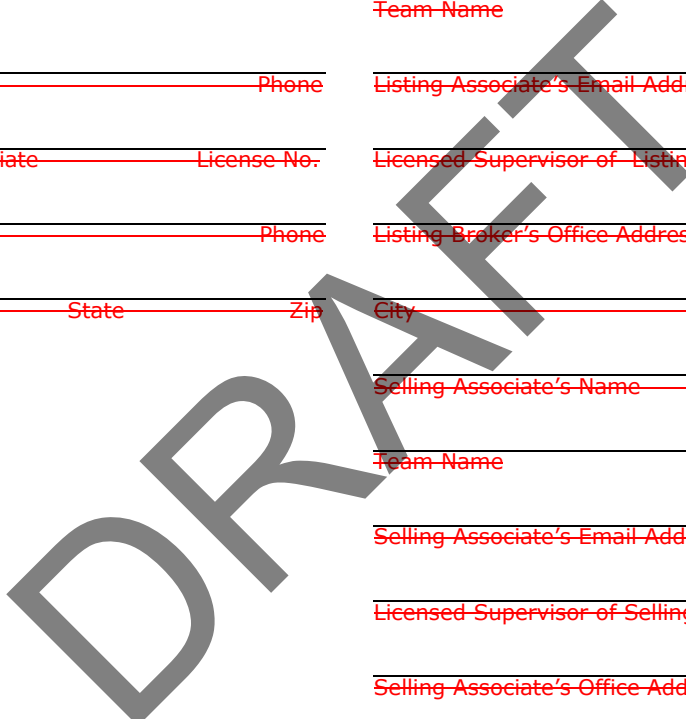
Team Name _____

Selling Associate's Email Address _____ Phone _____

Licensed Supervisor of Selling Associate _____ License No. _____

Selling Associate's Office Address _____

City _____ State _____ Zip _____



[Disclosure: Pursuant to a previous, separate agreement, Listing Broker has agreed to pay Other Broker a fee (\$ _____ or _____ % of the Sales Price). This disclosure is for informational purposes and does not change the previous agreement between brokers to pay or share a commission.]

OPTION FEE RECEIPT

Receipt of \$ _____ option fee [~~Option Fee~~] in the form of _____ is acknowledged.

Escrow Agent _____ Date _____

EARNEST MONEY RECEIPT

Receipt of \$ _____ earnest money [~~Earnest Money~~] in the form of _____ is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

CONTRACT RECEIPT

Receipt of the contract [~~Contract~~] is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional earnest money [~~Earnest Money~~] in the form of _____ is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____



ADDENDUM FOR "BACK-UP" CONTRACT

TO CONTRACT CONCERNING THE PROPERTY AT

(Address of Property)

- A. The contract to which this Addendum is attached (the Back-Up Contract) is binding upon execution by the parties, and the earnest money and any option fee ~~[Option-Fee]~~ must be paid as follows:
 - (1) Buyer shall deliver the earnest money and option fee ~~[Option-Fee]~~ as provided in Paragraph 5 of the Back-Up Contract; and
 - (2) Buyer shall deliver additional earnest money of \$ _____ and an additional option fee ~~[Option-Fee]~~ of \$ _____ to Escrow Agent within _____ days after the Amended Effective Date of the Back-Up Contract defined below.
- B. If the last day to deliver the additional earnest money or the additional option fee ~~[Option-Fee]~~ falls on a Saturday, Sunday, or Legal Holiday ~~[legal holiday]~~, the time to deliver the additional earnest money or additional option fee ~~[Option-Fee]~~, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or Legal Holiday ~~[legal holiday]~~.
- C. The amount(s) Escrow Agent receives under Paragraph A(2) of this Addendum shall be applied first to the additional option fee ~~[Option-Fee]~~ and then to the additional earnest money.
- D. Buyer authorizes Escrow Agent to release and deliver the additional option fee ~~[Option-Fee]~~ to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the additional option fee ~~[Option-Fee]~~ to Seller. The additional option fee ~~[Option-Fee]~~ will be credited to the Sales Price at closing.
- E. FAILURE TO TIMELY DELIVER ADDITIONAL EARNEST MONEY: If Buyer fails to deliver the additional earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the additional earnest money.
- F. FAILURE TO TIMELY DELIVER ADDITIONAL OPTION FEE: If Buyer fails to deliver any required additional option fee ~~[Option-Fee]~~ within the time required, Buyer shall not have the unrestricted right to terminate this contract as provided in Paragraph 5(B) of the contract.
- G. The Back-Up Contract is contingent upon the termination of a previous contract (the First Contract) dated _____, 20_____, for the sale of Property. Except as provided by this Addendum, neither party is required to perform under the Back-Up Contract while it is contingent upon the termination of the First Contract.
- H. If the First Contract does not terminate on or before _____, 20_____, the Back-Up Contract terminates and the earnest money will be refunded to Buyer. Seller must notify Buyer immediately of the termination of the First Contract. For purposes of performance, the Effective Date ~~[effective date]~~ of the Back-Up Contract changes to the date Seller delivers ~~[Buyer receives]~~ notice of termination of the First Contract to Buyer (Amended Effective Date).
- I. An amendment or modification of the First Contract will not terminate the First Contract.
- J. If Buyer has the unrestricted right to terminate the Back-Up Contract, the time for giving notice of termination begins on the Effective Date of the Back-Up Contract, continues after the Amended Effective Date and ends upon the expiration of Buyer's unrestricted right to terminate the Back-Up Contract.

Addendum for "Back-Up" Contract _____
(Address of Property)

05-04-2026
[11-04-2024]

K. For purposes of this Addendum, time is of the essence. Strict compliance with the times for performance stated herein is required.

Buyer

Seller

Buyer

Seller

DRAFT



This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not suitable for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>) TREC No. [11-9](#)[11-8]. This form replaces TREC No. [11-8](#)[11-7].



PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC)
ONE TO FOUR FAMILY RESIDENTIAL CONTRACT (RESALE)

NOTICE: Not For Use For Condominium Transactions



1. PARTIES: The parties to this contract are _____ (Seller) and _____ (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY: The land, improvements and accessories are collectively referred to as the Property (Property).

A. LAND: Lot _____ Block _____, _____ Addition, City of _____, County of _____, Texas, known as _____ (address/zip code), or as described on attached exhibit.

B. IMPROVEMENTS: The house, garage and all other fixtures and improvements attached to the above-described real property, including without limitation, the following permanently installed and built-in items, if any: all equipment and appliances, valances, screens, shutters, awnings, wall-to-wall carpeting, mirrors, ceiling fans, attic fans, mail boxes, television antennas, mounts and brackets for televisions and speakers, heating and air-conditioning units, security and fire detection equipment, wiring, plumbing and lighting fixtures, chandeliers, water softener system, kitchen equipment, garage door openers, cleaning equipment, shrubbery, landscaping, outdoor cooking equipment, generators, and all other property attached to the above described real property.

C. ACCESSORIES: The following described related accessories, if any: window air conditioning units, stove, fireplace screens, curtains and rods, blinds, window shades, draperies and rods, door keys, mailbox keys, above ground pool, swimming pool equipment and maintenance accessories, artificial fireplace logs, security systems that are not fixtures, and controls for: (i) garage doors, (ii) entry gates, and (iii) other improvements and accessories. "Controls" includes Seller's transferable rights to the (i) software and applications used to access and control improvements or accessories, and (ii) hardware used solely to control improvements or accessories.

D. EXCLUSIONS: The following improvements and accessories will be retained by Seller and must be removed prior to delivery of possession: _____

E. RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. SALES PRICE:

A. Cash portion of Sales Price payable by Buyer at closing\$_____ The term "Cash portion of the Sales Price" does not include proceeds from borrowing of any kind or selling other real property except as disclosed in this contract.

B. Sum of all financing described in the attached: [] Third Party Financing Addendum, [] Loan Assumption Addendum, [] Seller Financing Addendum\$_____

C. Sales Price (Sum of A and B)\$_____

4. LEASES: Except as disclosed in this contract, Seller is not aware of any leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property. (Check all applicable boxes)

[] A. RESIDENTIAL LEASES: The Property is subject to one or more residential leases and the Addendum Regarding Residential Leases is attached to this contract.

[] B. FIXTURE LEASES: Fixtures on the Property are subject to one or more fixture leases (for example, solar panels, propane tanks, water softener, security system) and the Addendum Regarding Fixture Leases is attached to this contract.

[] C. NATURAL RESOURCE LEASES: "Natural Resource Lease" means an existing oil and gas, mineral, geothermal, water, wind, or other natural resource lease affecting the Property to which Seller is a party.

[] (1) Seller has delivered to Buyer a copy of all the Natural Resource Leases.

[] (2) Seller has not delivered to Buyer a copy of all the Natural Resource Leases. Seller shall provide to Buyer a copy of all the Natural Resource Leases within 3 days after the Effective Date. Buyer may terminate the contract within _____ days after the date the Buyer receives all the Natural Resource Leases and the earnest money shall be refunded to Buyer.

5. EARNEST MONEY AND TERMINATION OPTION:

- A. DELIVERY OF EARNEST MONEY AND OPTION FEE: Within 3 days after the Effective Date, Buyer must deliver to _____ (Escrow Agent) at _____ (address): \$ _____ as earnest money and \$ _____ as the option fee[Option-Fee]. The earnest money and option fee[Option-Fee] shall be made payable to Escrow Agent and may be paid separately or combined in a single payment.
- (1) Buyer shall deliver additional earnest money of \$ _____ to Escrow Agent within _____ days after the Effective Date of this contract.
 - (2) If the last day to deliver the earnest money, option fee[Option-Fee], or the additional earnest money falls on a Saturday, Sunday, or Legal Holiday[legal-holiday], the time to deliver the earnest money, option fee[Option-Fee], or the additional earnest money, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or Legal Holiday[legal-holiday]. "Legal Holiday" means a legal holiday described in Sections 662.003(a) and 662.003(b)(4) and (6), Texas Government Code.
 - (3) The amount(s) Escrow Agent receives under this paragraph shall be applied first to the option fee[Option-Fee], then to the earnest money, and then to the additional earnest money.
 - (4) Buyer authorizes Escrow Agent to release and deliver the option fee[Option-Fee] to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the option fee[Option-Fee] to Seller. The option fee[Option-Fee] will be credited to the Sales Price at closing.
- B. TERMINATION OPTION: For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the option fee[Option-Fee] within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If Buyer gives notice of termination within the time prescribed: (i) the option fee [Option-Fee] will not be refunded and Escrow Agent shall release any option fee[Option-Fee] remaining with Escrow Agent to Seller; and (ii) any earnest money will be refunded to Buyer.
- C. FAILURE TO TIMELY DELIVER EARNEST MONEY: If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money.
- D. FAILURE TO TIMELY DELIVER OPTION FEE: If no dollar amount is stated as the option fee [Option-Fee] or if Buyer fails to deliver the option fee[Option-Fee] within the time required, Buyer shall not have the unrestricted right to terminate this contract under this paragraph 5.
- E. TIME: **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**

6. TITLE POLICY AND SURVEY:

- A. TITLE POLICY: Seller shall furnish to Buyer at Seller's Buyer's expense an owner policy of title insurance (Title Policy) issued by _____ (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
- (1) Restrictive covenants common to the platted subdivision in which the Property is located.
 - (2) The standard printed exception for standby fees, taxes and assessments.
 - (3) Liens created as part of the financing described in Paragraph 3.
 - (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
 - (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
 - (6) The standard printed exception as to marital rights.
 - (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
 - (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:
 - (i) will not be amended or deleted from the title policy; or
 - (ii) will be amended to read, "shortages in area" at the expense of Buyer Seller.
 - (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.
- B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)

- (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit or Declaration promulgated by the Texas Department of Insurance (T-47 Affidavit or T-47.1 Declaration). Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date if Seller fails to furnish within the time prescribed both the: (i) existing survey; and (ii) affidavit or declaration. If the Title Company or Buyer's lender does not accept the existing survey, or the affidavit or declaration, Buyer shall obtain a new survey at Seller's Buyer's expense no later than 3 days prior to Closing Date.
- (2) Within _____ days after the Effective Date of this contract, Buyer may obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier. If Buyer fails to obtain the survey, Buyer may not terminate the contract under Paragraph 2B of the Third Party Financing Addendum because the survey was not obtained.
- (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.

D. OBJECTIONS: Buyer may object in writing to defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; disclosed in the Commitment other than items 6A(1) through (9) above; or which prohibit the following use or activity:

Buyer must object the earlier of (i) the Closing Date or (ii) _____ days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object, except that the requirements in Schedule C of the Commitment are not waived by Buyer. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

(1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.

(2) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property is is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2A in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, or operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request. **If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association(s) should be used.**

(3) STATUTORY TAX DISTRICTS: If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.

~~[11-04-2024]~~ (Address of Property)

- (4) TIDE WATERS: If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. ~~[An addendum containing the notice promulgated by TREC or required by the parties must be used.]~~
- (5) ANNEXATION: If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER: Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. ~~[An addendum containing the required notice shall be attached to this contract.]~~
- (8) TRANSFER FEES: If the Property is subject to a private transfer fee obligation, §5.205, Property Code, requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (9) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. ~~[An addendum containing the notice approved by TREC or required by the parties should be used.]~~
- (10) NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- (11) CERTIFICATE OF MOLD REMEDIATION: If the Property has been remediated for mold, Seller must provide to Buyer each certificate of mold damage remediation issued under §1958.154, Occupations Code, during the 5 years preceding the sale of the Property.

~~[(12)REQUIRED NOTICES: The following notices have been given or are attached to this contract (for example, utility, water, drainage, and public improvement districts): _____ Seller's failure to provide applicable statutory notices may provide Buyer with remedies or rights to terminate the contract.]~~

7. PROPERTY CONDITION:

- A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Any hydrostatic testing must be separately authorized by Seller in writing. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.
- B. SELLER'S DISCLOSURE NOTICE PURSUANT TO §5.008, TEXAS PROPERTY CODE ([Seller's Disclosure](#) Notice):
 (Check one box only)
 - (1) Buyer has received the [Seller's Disclosure](#) Notice.
 - (2) Buyer has not received the [Seller's Disclosure](#) Notice. Within _____ days after the Effective Date of this contract, Seller shall deliver the [Seller's Disclosure](#) Notice to Buyer. If Buyer does not receive the [Seller's Disclosure](#) Notice, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the [Seller's Disclosure](#) Notice, Buyer may terminate this contract for any reason within 7 days after Buyer receives the [Seller's Disclosure](#) Notice or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.
 - (3) The Seller is not required to furnish the [Seller's Disclosure Notice](#) [~~notice~~] under the Texas Property Code.
- C. SELLER'S DISCLOSURE OF LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS is required by Federal law for a residential dwelling constructed prior to 1978.
- D. ACCEPTANCE OF PROPERTY CONDITION: "As Is" means the present condition of the Property

[11-04-2024] (Address of Property)

with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7D(1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- (1) Buyer accepts the Property As Is.
- (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

E. LENDER REQUIRED REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, neither party is obligated to pay for lender required repairs, which includes treatment for wood destroying insects. If the parties do not agree to pay for the lender required repairs or treatments, this contract will terminate and the earnest money will be refunded to Buyer. If the cost of lender required repairs and treatments exceeds 5% of the Sales Price, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

F. COMPLETION OF REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, Seller shall complete all agreed repairs and treatments prior to the Closing Date and obtain any required permits. The repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. Seller shall: (i) provide Buyer with copies of documentation from the repair person(s) showing the scope of work and payment for the work completed; and (ii) at Seller's expense, arrange for the transfer of any transferable warranties with respect to the repairs and treatments to Buyer at closing. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days if necessary for Seller to complete the repairs and treatments.

G. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

H. RESIDENTIAL SERVICE CONTRACTS: Buyer may purchase a residential service contract from a provider or administrator licensed by the Texas Department of Licensing and Regulation. If Buyer purchases a residential service contract, Seller shall reimburse Buyer at closing for the cost of the residential service contract in an amount not exceeding \$_____. Buyer should review any residential service contract for the scope of coverage, exclusions and limitations. **The purchase of a residential service contract is optional. Similar coverage may be purchased from various companies authorized to do business in Texas.**

I. SELLER'S DISCLOSURE ABOUT GROUNDWATER AND SURFACE WATER RIGHTS (Seller's Water Disclosure): Access to surface water or groundwater on the Property may be regulated, restricted, or prohibited, including but not limited to the right to drill or operate water wells and the right to withdraw water from surface water sources on or adjoining the Property. The parties shall use the Seller's Water Disclosure published by TREC to identify information related to groundwater and surface water rights. (Check one box only)

- (1) Buyer has received the Seller's Water Disclosure.
- (2) Buyer has not received the Seller's Water Disclosure. Within _____ days after the Effective Date of this contract, Seller shall deliver the Seller's Water Disclosure to Buyer. If Buyer does not receive the Seller's Water Disclosure, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the Seller's Water Disclosure, Buyer may terminate this contract for any reason within 7 days after Buyer receives the Seller's Water Disclosure or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.
- (3) Seller is not required to deliver the Seller's Water Disclosure to Buyer because all of the following are true:
 - (a) Seller is not aware of a water well on the Property (in use or not in use);
 - (b) Seller is not aware of a pond, lake, or water tank on the Property;
 - (c) Seller is not aware of any certificate of adjudication, certified filing, or permit for surface water rights associated with the Property administered by the Texas Commission on Environmental Quality;
 - (d) Seller is not aware that any groundwater rights to the Property have been severed, sold, or leased in whole or in part; and
 - (e) the Property receives water only from the following municipality (City), municipal utility district (MUD) or other special district, water supply corporation (WSC), or private water supply company (PWC): _____

8. BROKER OR SALES AGENT DISCLOSURE: [BROKERS AND SALES AGENTS:]

~~[A. BROKER OR SALES AGENT DISCLOSURE:]~~ Texas law requires a real estate broker or sales agent who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the broker or sales agent owns more than 10%, or a trust for which the broker or sales agent acts as a trustee or of which the broker or sales agent or the broker or sales agent's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____

~~[B. BROKERS' FEES: All obligations of the parties for payment of brokers' fees are contained in separate written agreements.]~~

9. CLOSING:

A. The closing of the sale will be on or before _____, 20____, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales Price in good funds acceptable to the Escrow Agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents, transfer of any warranties, and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
- (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
- (5) Private transfer fees (as defined by Chapter 5, Subchapter G of the Texas Property Code) will be the obligation of Seller unless provided otherwise in this contract. Transfer fees assessed by a property owners' association are governed by the Addendum for Property Subject to Mandatory Membership in a Property Owners Association.

10. POSSESSION:

A. BUYER'S POSSESSION: Seller shall deliver to Buyer possession of the Property in its present or required condition, ordinary wear and tear excepted: upon closing and funding according to a temporary residential lease form promulgated by TREC or other written lease required by the parties. Any possession by Buyer prior to closing or by Seller after closing which is not authorized by a written lease will establish a tenancy at sufferance relationship between the parties. **Consult your insurance agent prior to change of ownership and possession because insurance coverage may be limited or terminated. The absence of a written lease or appropriate insurance coverage may expose the parties to economic loss.**

B. SMART DEVICES: "Smart Device" means a device that connects to the internet to enable remote use, monitoring, and management of: (i) the Property; (ii) items identified in any Non-Realty Items Addendum; or (iii) items in a Fixture Lease assigned to Buyer. At the time Seller delivers possession of the Property to Buyer, Seller shall:

- (1) deliver to Buyer written information containing all access codes, usernames, passwords, and applications Buyer will need to access, operate, manage, and control the Smart Devices; and
- (2) terminate and remove all access and connections to the improvements and accessories from any of Seller's personal devices including but not limited to phones and computers.

11. SPECIAL PROVISIONS: (This paragraph is intended to be used only for additional informational items. An informational item is a statement that completes a blank in a contract form, discloses factual information, or provides instructions. Real estate brokers and sales agents are prohibited from practicing law and shall not add to, delete, or modify any provision of this contract unless drafted by a party to this contract or a party's attorney.) _____

12. SETTLEMENT AND OTHER EXPENSES:

A. **EXPENSES:** The following expenses must be paid at or prior to closing:

- (1) Seller shall pay the following expenses (Seller's Expenses):
 - (a) releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; ~~[brokerage fees that Seller has agreed to pay;]~~ and other expenses payable by Seller under this contract; and

~~[(b) the following amount to be applied to brokerage fees that Buyer has agreed to pay: \$ _____ or _____ % of the Sales Price (check one box only); and]~~

(b) [(e)] an amount not to exceed \$ _____ to be applied to [other] Buyer's Expenses other than brokerage compensation or contributions under Paragraph 12B below.

- (2) Buyer shall pay the following expenses (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments;

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recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; ~~brokerage fees that Buyer has agreed to pay;~~ and other expenses payable by Buyer under this contract.

B. BROKERAGE COMPENSATION: Brokerage compensation is not set by law and is fully negotiable. Each party shall pay their respective brokers pursuant to the terms of the parties' obligations to compensate their brokers contained in separate written agreements. **The contributions under 12B(1) and 12B(2) below shall be applied to and shall not change the parties' obligations to pay compensation pursuant to those agreements.** The following contributions must be paid at closing:

- (1) Seller will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Buyer to Buyer's broker.
- (2) Buyer will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Seller to Seller's broker.

~~[B.If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.]~~

C. EXPENSE LIMITATION: If a governmental loan program regulation prohibits Buyer from paying charges or fees, then the amount of any concession in 12A(1)(b) shall be first applied to pay such prohibited expenses and then to other Buyer's Expenses but not brokerage compensation or contribution.

13. PRORATIONS: Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues (including prepaid items) will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: A Buyer, Seller, Listing Broker, Other Broker, or Escrow Agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:

A. ESCROW: The Escrow Agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as Escrow Agent. Escrow Agent may require any disbursement made in connection with this contract to be conditioned on Escrow Agent's collection of good funds acceptable to Escrow Agent.

B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment,

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then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, Escrow Agent may: (i) require a written release of liability of the Escrow Agent from all parties before releasing any earnest money; and (ii) require payment of unpaid expenses incurred on behalf of a party. Escrow Agent may deduct authorized expenses from the earnest money payable to a party. "Authorized expenses" means expenses incurred by Escrow Agent on behalf of the party entitled to the earnest money that were authorized by this contract or that party.

- C. DEMAND: Upon termination of this contract, either party or the Escrow Agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the Escrow Agent. If either party fails to execute the release, either party may make a written demand to the Escrow Agent for the earnest money. If only one party makes written demand for the earnest money, Escrow Agent shall promptly provide a copy of the demand to the other party. If Escrow Agent does not receive written objection to the demand from the other party within 15 days, Escrow Agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and Escrow Agent may pay the same to the creditors. If Escrow Agent complies with the provisions of this paragraph, each party hereby releases Escrow Agent from all adverse claims related to the disbursement of the earnest money.
- D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the Escrow Agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- E. NOTICES: Escrow Agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by Escrow Agent.

19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

20. GOVERNMENTAL ~~FEDERAL~~ REQUIREMENTS:

A. If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

B. Seller and Buyer shall promptly execute and deliver any statements, documents, and information requested by Escrow Agent required by governmental reporting requirements (for example, reporting to the U.S. Treasury or its bureaus).

21. NOTICES: All notices from one party or their agent to the other must be in writing. Notices ~~[and]~~ are effective when mailed to, hand-delivered at, sent by overnight courier to, or transmitted by ~~[fax or]~~ electronic transmission to the other party or their agent. ~~[as follows:]~~

To Buyer(s) at:
Address: _____

Phone(s) _____

Email(s): _____

To Buyer's agent at:
Address: _____

Phone: _____

Email: _____

To Buyer at: _____

Phone: (____) _____

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Buyer's agent at: _____

To Seller(s) at:
Address: _____

Phone(s) _____

Email(s): _____

To Seller's agent at:
Address: _____

Phone: _____

Email: _____

To Seller at: _____

Phone: (____) _____

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Seller's agent at: _____

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda and notices which are a part of this contract are (check all applicable boxes):

Financial

- Third Party Financing Addendum
- Addendum for Sale of Other Property by Buyer
- Addendum Concerning Right to Terminate Due to Lender’s Appraisal
- Seller Financing Addendum
- Addendum for Section 1031 Exchange
- Short Sale Addendum
- Loan Assumption Addendum
- Addendum for Release of Liability on Assumed Loan and/or Restoration of Seller’s VA Entitlement

Leases

- Addendum Regarding Residential Leases
- Addendum Regarding Fixture Leases
- Buyer’s Temporary Residential Lease
- Seller’s Temporary Residential Lease

Additional Tests and Reports

- Addendum for Authorizing Hydrostatic Testing
- Environmental Assessment, Threatened or Endangered Species, and Wetlands Addendum

Statutory Disclosures and Notices

- Addendum for Seller’s Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards as Required by Federal Law
- Addendum for Property in a Propane Gas System Service Area
- Addendum for Property Located Seaward of the Gulf Intercoastal Waterway
- Addendum for Coastal Area Property
- The following utility, water, drainage, public improvement, and other district notices (list all that have been given or are attached): _____

NOTICE: Seller’s failure to provide applicable Statutory Disclosures and Notices may provide Buyer with remedies or rights to terminate this contract.

Other

- Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- Non-Realty Items Addendum
- Addendum for “Back-Up” Contract
- Addendum for Reservation of Oil, Gas, and Other Minerals
- Other: _____

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- ~~Third Party Financing Addendum~~
- ~~Seller Financing Addendum~~
- ~~Addendum for Property Subject to Mandatory Membership in a Property Owners Association~~
- ~~Buyer's Temporary Residential Lease~~
- ~~Loan Assumption Addendum~~
- ~~Addendum for Sale of Other Property by Buyer~~
- ~~Addendum for Reservation of Oil, Gas and Other Minerals~~
- ~~Addendum for "Back-Up" Contract~~
- ~~Addendum for Coastal Area Property~~
- ~~Addendum for Authorizing Hydrostatic Testing~~
- ~~Addendum Concerning Right to Terminate Due to Lender's Appraisal~~
- ~~Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum~~
- ~~Seller's Temporary Residential Lease~~
- ~~Short Sale Addendum~~
- ~~Addendum for Property Located Seaward of the Gulf Intracoastal Waterway~~
- ~~Addendum for Seller's Disclosure of Information on Lead-based Paint and Lead-based Paint Hazards as Required by Federal Law~~
- ~~Addendum for Property in a Propane Gas System Service Area~~
- ~~Addendum Regarding Residential Leases~~
- ~~Addendum Regarding Fixture Leases~~
- ~~Addendum containing Notice of Obligation to Pay Improvement District Assessment~~
- ~~Addendum for Section 1031 Exchange~~
- ~~Other (list): _____~~

23. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate brokers and sales agents from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's Attorney is: _____

Seller's Attorney is: _____

Phone: () _____

Phone: () _____

Fax: () _____

Fax: () _____

E-mail: _____

E-mail: _____

**EXECUTED the _____ day of _____, 20____ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)**

Buyer _____

Seller _____

Buyer _____

Seller _____



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. 20-19 [20-18]. This form replaces TREC NO. 20-18 [20-17].

BROKER CONTACT INFORMATION
(Print name(s) only. Do not sign)

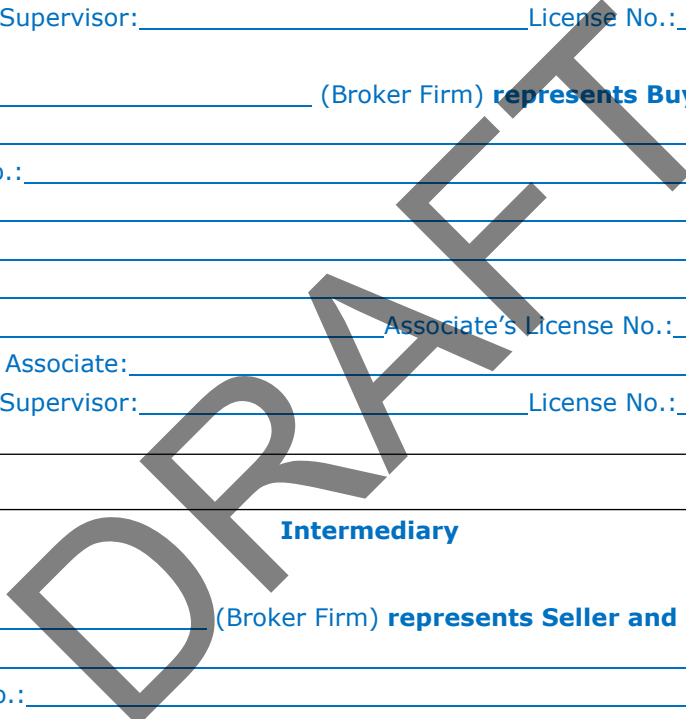
The brokers to this sale are:

(Broker Firm) **represents Seller only as Seller's agent.**

Address: _____
 Broker Firm License No.: _____
 Associate's Name: _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

(Broker Firm) **represents Buyer only as Buyer's agent.**

Address: _____
 Broker Firm License No.: _____
 Associate's Name: _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____



Intermediary

(Broker Firm) **represents Seller and Buyer as an intermediary.**

Address: _____
 Broker Firm License No.: _____
 Associate's Name (for Seller): _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

Associate's Name (for Buyer): _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

BROKER INFORMATION
(Print name(s) only. Do not sign)

Other Broker Firm _____ License No. _____

Listing Broker Firm _____ License No. _____

represents Buyer only as Buyer's agent
 Seller as Listing Broker's subagent

represents Seller and Buyer as an intermediary
 Seller only as Seller's agent

Associate's Name _____ License No. _____

Listing Associate's Name _____ License No. _____

Team Name _____

Team Name _____

Associate's Email Address _____ Phone _____

Listing Associate's Email Address _____ Phone _____

Licensed Supervisor of Associate _____ License No. _____

Licensed Supervisor of Listing Associate _____ License No. _____

Other Broker's Address _____ Phone _____

Listing Broker's Office Address _____ Phone _____

City _____ State _____ Zip _____

City _____ State _____ Zip _____

Selling Associate's Name _____ License No. _____

Team Name _____

Selling Associate's Email Address _____ Phone _____

Licensed Supervisor of Selling Associate _____ License No. _____

Selling Associate's Office Address _____

City _____ State _____ Zip _____

DRAFT

[Disclosure: Pursuant to a previous, separate agreement, Listing Broker has agreed to pay Other Broker a fee (\$ _____ or _____% of the Sales Price). This disclosure is for informational purposes and does not change the previous agreement between brokers to pay or share a commission.]

OPTION FEE RECEIPT

Receipt of \$ _____ [option fee](#)~~[(Option Fee)]~~ in the form of _____
is acknowledged.

Escrow Agent _____ Date _____

EARNEST MONEY RECEIPT

Receipt of \$ _____ [earnest money](#)~~[Earnest Money]~~ in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

CONTRACT RECEIPT

Receipt of the [contract](#)~~[Contract]~~ is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional [earnest money](#)~~[Earnest Money]~~ in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____



NEW HOME CONTRACT

(Incomplete Construction)

NOTICE: Not For Use For Condominium Transactions or Closings Prior to Completion of Construction



1. PARTIES: The parties to this contract are _____ (Seller) and _____ (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY: Lot _____, Block _____, Addition, City of _____, County of _____ Texas, known as _____ (address/zip code), or as described on attached exhibit, together with: (i) improvements, fixtures and all other property described in the Construction Documents; and (ii) all rights, privileges and appurtenances thereto. All property sold by this contract is called the Property (Property).

RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. SALES PRICE:

A. Cash portion of Sales Price payable by Buyer at closing \$ _____
The term "Cash portion of the Sales Price" does not include proceeds from borrowing of any kind or selling other real property except as disclosed in this contract.

B. Sum of all financing described in the attached: Third Party Financing Addendum, Loan Assumption Addendum, Seller Financing Addendum \$ _____

C. Sales Price (Sum of A and B)..... \$ _____

4. LEASES:

A. Except as disclosed in this contract, Seller is not aware of any leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property.

B. NATURAL RESOURCE LEASES: "Natural Resource Lease" means an existing oil and gas, mineral, geothermal, water, wind, or other natural resource lease affecting the Property to which Seller is a party. Seller is is not a party to a Natural Resource Lease. If Seller is a party to a Natural Resource Lease, check one of the following:

(1) Seller has delivered to Buyer a copy of all the Natural Resource Leases.

(2) Seller has not delivered to Buyer a copy of all the Natural Resource Leases. Seller shall provide to Buyer a copy of all the Natural Resource Leases within 3 days after the Effective Date. Buyer may terminate the contract within _____ days after the date the Buyer receives all the Natural Resource Leases and the earnest money shall be refunded to Buyer.

5. EARNEST MONEY AND TERMINATION OPTION:

A. DELIVERY OF EARNEST MONEY AND OPTION FEE: Within 3 days after the Effective Date, Buyer must deliver to _____ (Escrow Agent) at _____ (address): \$ _____ as earnest money and \$ _____ as the option fee~~[Option Fee]~~. The earnest money and option fee~~[Option Fee]~~ shall be made payable to Escrow Agent and may be paid separately or combined in a single payment.

(1) Buyer shall deliver additional earnest money of \$ _____ to Escrow Agent within _____ days after the Effective Date of this contract.

(2) If the last day to deliver the earnest money, option fee~~[Option Fee]~~, or the additional earnest money falls on a Saturday, Sunday, or Legal Holiday~~[legal holiday]~~, the time to deliver the earnest money, option fee~~[Option Fee]~~, or the additional earnest money, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or Legal Holiday~~[legal holiday]~~. "Legal Holiday" means a legal holiday described in Sections 662.003(a) and 662.003(b)(4) and (6), Texas Government Code.

(3) The amount(s) Escrow Agent receives under this paragraph shall be applied first to the option fee~~[Option Fee]~~, then to the earnest money, and then to the additional earnest money.

(4) Buyer authorizes Escrow Agent to release and deliver the option fee~~[Option Fee]~~ to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the option fee~~[Option Fee]~~ to Seller. The option fee~~[Option Fee]~~ will be credited to the Sales Price at closing.

B. TERMINATION OPTION: For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the option fee~~[Option Fee]~~ within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If Buyer gives notice of termination within the time prescribed: (i) the option fee~~[Option Fee]~~ will not be refunded and Escrow Agent shall release any option fee~~[Option Fee]~~ remaining with Escrow Agent to Seller; and (ii) any earnest money will be refunded to Buyer.

C. FAILURE TO TIMELY DELIVER EARNEST MONEY: If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money.

D. FAILURE TO TIMELY DELIVER OPTION FEE: If no dollar amount is stated as the option fee~~[Option Fee]~~ or if Buyer fails to deliver the option fee~~[Option Fee]~~ within the time required, Buyer shall not have the unrestricted right to terminate this contract under this Paragraph 5.

E. TIME: Time is of the essence for this paragraph and strict compliance with the time for performance is required.

6. TITLE POLICY AND SURVEY:

A. TITLE POLICY: Seller shall furnish to Buyer at Seller's Buyer's expense an owner policy of title insurance (Title Policy) issued by _____ (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:

- (1) Restrictive covenants common to the platted subdivision in which the Property is located.
- (2) The standard printed exception for standby fees, taxes and assessments.
- (3) Liens created as part of the financing described in Paragraph 3.
- (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
- (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
- (6) The standard printed exception as to marital rights.
- (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
- (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:
 - (i) will not be amended or deleted from the title policy; or
 - (ii) will be amended to read, "shortages in area" at the expense of Buyer Seller.
- (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.

B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

C. SURVEY: The survey must be made after the Substantial Completion Date by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)

- (1) At least _____ days prior to the Closing Date, Seller, at Seller's expense, shall provide a new survey to Buyer.
- (2) At least _____ days prior to the Closing Date, Buyer, at Buyer's expense, may obtain a new survey. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier. If Buyer fails to obtain the survey, Buyer may not terminate the contract under Paragraph 2B of the Third Party Financing Addendum because the survey was not obtained.

D. OBJECTIONS: Buyer may object in writing to defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; disclosed in the Commitment other than items 6A(1) through (9) above; or which prohibit the following use or activity: _____

Buyer must object the earlier of (i) the Closing Date or (ii) _____ days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived by Buyer. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

- (1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property is is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under

§5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2A in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association should be used.

- (3) STATUTORY TAX DISTRICTS: If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (4) TIDE WATERS: If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. ~~[An addendum containing the notice promulgated by TREC or required by the parties must be used.]~~
- (5) ANNEXATION: If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER: Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. ~~[An addendum containing the required notice shall be attached to this contract.]~~
- (8) TRANSFER FEES: If the Property is subject to a private transfer fee obligation, §5.205, Property Code, requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (9) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. ~~[An addendum containing the notice approved by TREC or required by the parties should be used.]~~
- (10) NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- (11) CERTIFICATE OF MOLD REMEDIATION: If the Property has been remediated for mold, Seller must provide to Buyer each certificate of mold damage remediation issued under §1958.154, Occupations Code, during the 5 years preceding the sale of the Property.

~~[(12) REQUIRED NOTICES: The following notices have been given or are attached to this contract (for example, utility, water, drainage, and public improvement districts): _____]~~

~~Seller's failure to provide applicable statutory notices may provide Buyer with remedies or rights to terminate the contract.]~~

7. PROPERTY CONDITION:

- A. ACCESS AND INSPECTIONS: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections.
- B. CONSTRUCTION DOCUMENTS: Seller shall complete all improvements to the Property with due diligence in accordance with the Construction Documents. "Construction Documents" means the plans and specifications, the finish out schedules, any change orders, and any allowances related to the plans and specifications, finish out schedules, and change orders. The Construction Documents have been signed by the parties and are incorporated into this contract by reference.
- C. COST ADJUSTMENTS: All change orders must be in writing. Increase in costs resulting from change orders or items selected by Buyer which exceed the allowances specified in the Construction Documents will be paid by Buyer as follows: _____. A decrease in costs resulting from change orders and unused allowances will reduce the Sales Price, with proportionate adjustments to the amounts in Paragraphs 3A and 3B as required by lender.
- D. BUYER'S SELECTIONS: If the Construction Documents permit selections by Buyer, Buyer's selections will conform to Seller's normal standards as set out in the Construction Documents or will not, in Seller's judgment, adversely affect the marketability of the Property. Buyer will make required selections within _____ days after notice from Seller.
- E. COMPLETION: Seller must commence construction no later than _____ days after the Effective Date of this contract. The improvements will be substantially completed in accordance with the Construction Documents and ready for occupancy not later than _____/20____. The improvements will be deemed to be substantially completed in accordance with the Construction Documents upon the final inspection and approval by all applicable governmental authorities and any lender (Substantial Completion Date). Construction delays caused by acts of God, fire or other casualty, strikes, boycotts or nonavailability of materials for which no substitute of comparable quality and price is available will be added to the time allowed for substantial completion of the construction. However, in no event may the time for substantial completion extend beyond the Closing Date. Seller may substitute materials, equipment and appliances of comparable quality for those specified in the Construction Documents.
- F. WARRANTIES: Except as expressly set forth in this contract, a separate writing, or provided by law, Seller makes no other express warranties. Seller shall assign to Buyer at closing all assignable manufacturer warranties.
- G. INSULATION: As required by Federal Trade Commission Regulations, the information relating to the insulation installed or to be installed in the Improvements at the Property is: (check only one box below)
 - (1) as shown in the attached specifications.
 - (2) as follows:
 - (a) Exterior walls of improved living areas: insulated with _____ insulation to a thickness of _____ inches which yields an R-Value of _____.
 - (b) Walls in other areas of the home: insulated with _____ insulation to a thickness of _____ inches which yields an R-Value of _____.
 - (c) Ceilings in improved living areas: insulated with _____ insulation to a thickness of _____ inches which yields an R-Value of _____.
 - (d) Floors of improved living areas not applied to a slab foundation: insulated with _____ insulation to a thickness of _____ inches which yields an R-Value of _____.
 - (e) Other insulated areas: insulated with _____ insulation to a thickness of _____ inches which yields an R-Value of _____.

All stated R-Values are based on information provided by the manufacturer of the insulation.
- H. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.
- I. SELLER'S DISCLOSURE:
 - (1) Seller is is not aware of any flooding of the Property which has had a material adverse effect on the use of the Property.
 - (2) Seller is is not aware of any pending or threatened litigation, condemnation, or special assessment affecting the Property.
 - (3) Seller is is not aware of any environmental hazards that materially and adversely affect the Property.
 - (4) Seller is is not aware of any dumpsite, landfill, or underground tanks or containers now or previously located on the Property.
 - (5) Seller is is not aware of any wetlands, as defined by federal or state law or regulation, affecting the Property.
 - (6) Seller is is not aware of any threatened or endangered species or their habitat affecting the Property.
 - (7) Seller is is not aware that the Property is located wholly partly in a floodplain.
 - (8) Seller is is not aware that a tree or trees located on the Property has oak wilt.

If Seller is aware of any of the items above, explain (attach additional sheets if necessary): _____.

J. RESIDENTIAL SERVICE CONTRACTS: Buyer may purchase a residential service contract from a provider or administrator licensed by the Texas Department of Licensing and Regulation. If Buyer purchases a residential service contract, Seller shall reimburse Buyer at closing for the cost of the residential service contract in an amount not exceeding \$ _____. Buyer should review any residential service contract for the scope of coverage, exclusions and limitations. **The purchase of a residential service contract is optional. Similar coverage may be purchased from various companies authorized to do business in Texas.**

K. SELLER'S DISCLOSURE ABOUT GROUNDWATER AND SURFACE WATER RIGHTS (Seller's Water Disclosure): Access to surface water or groundwater on the Property may be regulated, restricted, or prohibited, including but not limited to the right to drill or operate water wells and the right to withdraw water from surface water sources on or adjoining the Property. The parties shall use the Seller's Water Disclosure published by TREC to identify information related to groundwater and surface water rights. (Check one box only)

- (1) Buyer has received the Seller's Water Disclosure.
- (2) Buyer has not received the Seller's Water Disclosure. Within _____ days after the Effective Date of this contract, Seller shall deliver the Seller's Water Disclosure to Buyer. If Buyer does not receive the Water Notice, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the Seller's Water Disclosure, Buyer may terminate this contract for any reason within 7 days after Buyer receives the Water Notice or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.
- (3) Seller is not required to deliver the Seller's Water Disclosure to Buyer because all of the following are true:
 - (a) Seller is not aware of a water well on the Property (in use or not in use);
 - (b) Seller is not aware of a pond, lake, or water tank on the Property;
 - (c) Seller is not aware of any certificate of adjudication, certified filing, or permit for surface water rights associated with the Property administered by the Texas Commission on Environmental Quality;
 - (d) Seller is not aware that any groundwater rights to the Property have been severed, sold, or leased in whole or in part; and
 - (e) the Property receives water only from the following municipality (City), municipal utility district (MUD) or other special district, water supply corporation (WSC), or private water supply company (PWC): _____

8. BROKER OR SALES AGENT DISCLOSURE: [BROKERS AND SALES AGENTS:]

~~[A. BROKER OR SALES AGENT DISCLOSURE:]~~ Texas law requires a real estate broker or sales agent who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the broker or sales agent owns more than 10%, or a trust for which the broker or sales agent acts as a trustee or of which the broker or sales agent or the broker or sales agent's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____

~~[B. BROKERS' FEES: All obligations of the parties for payment of brokers' fees are contained in separate written agreements.]~~

9. CLOSING:

A. The closing of the sale will be on or before _____, 20____, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales Price in good funds acceptable to the Escrow Agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents, transfer of any warranties, and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
- (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing payment of any loans assumed by Buyer and assumed loans will not be in default.
- (5) Private transfer fees (as defined by Chapter 5, Subchapter G of the Texas Property Code) will be the obligation of Seller unless provided otherwise in this contract. Transfer fees assessed by a property owners' association are governed by the Addendum for Property Subject to Mandatory Membership in a Property Owners Association.

10. POSSESSION:

A. BUYER'S POSSESSION: Seller shall deliver to Buyer possession of the Property: upon closing and funding according to a temporary residential lease form promulgated by TREC or other written lease required by the parties. Any possession by Buyer prior to closing or by Seller after closing which is not authorized by a written lease will establish a tenancy at sufferance relationship between the parties. **Consult your insurance agent prior to change of ownership and possession because insurance coverage may be limited or terminated. The absence of a written lease or appropriate insurance coverage may expose the parties to economic loss.**

B. SMART DEVICES: "Smart Device" means a device that connects to the internet to enable remote use, monitoring, and management of: (i) the Property; (ii) items identified in any Non-Realty Items Addendum; or (iii) items in a fixture lease assigned to Buyer. At the time Seller delivers possession of the Property to Buyer, Seller shall:

- (1) deliver to Buyer written information containing all access codes, usernames, passwords, and

applications Buyer will need to access, operate, manage, and control the Smart Devices; and

(2) terminate and remove all access and connections to the improvements and accessories from any of Seller's personal devices including but not limited to phones and computers.

11. SPECIAL PROVISIONS: (This paragraph is intended to be used only for additional informational items. An informational item is a statement that completes a blank in a contract form, discloses factual information, or provides instructions. Real estate brokers and sales agents are prohibited from practicing law and shall not add to, delete, or modify any provision of this contract unless drafted by a party to this contract or a party's attorney.)

12. SETTLEMENT AND OTHER EXPENSES:

A. **EXPENSES:** The following expenses must be paid at or prior to closing:

(1) Seller shall pay the following expenses (Seller's Expenses):

(a) releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; ~~brokerage fees that Seller has agreed to pay;~~ and other expenses payable by Seller under this contract;

~~[(b) the following amount to be applied to brokerage fees that Buyer has agreed to pay: \$ _____ or _____ % of the Sales Price (check one box only); and]~~

~~(b) [(c)] an amount not to exceed \$ _____ to be applied to [other] Buyer's Expenses other than brokerage compensation or contributions under Paragraph 12B below.~~

(2) Buyer shall pay the following expenses (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; ~~brokerage fees that Buyer has agreed to pay;~~ and other expenses payable by Buyer under this contract.

B. BROKERAGE COMPENSATION: Brokerage compensation is not set by law and is fully negotiable. Each party shall pay their respective brokers pursuant to the terms of the parties' obligations to compensate their brokers contained in separate written agreements. The contributions under 12B(1) and 12B(2) below shall be applied to and shall not change the parties' obligations to pay compensation pursuant to those agreements. The following contributions must be paid at closing:

(1) Seller will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Buyer to Buyer's broker.

(2) Buyer will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Seller to Seller's broker.

~~[B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.]~~

C. EXPENSE LIMITATION: If a governmental loan program regulation prohibits Buyer from paying charges or fees, then the amount of any concession in 12A(1)(b) shall be first applied to pay such prohibited expenses and then to other Buyer's Expenses but not brokerage compensation or contribution.

13. PRORATIONS AND ROLLBACK TAXES:

A. PRORATIONS: Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues (including prepaid items) will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer will be obligated to pay taxes for the current year.

B. ROLLBACK TAXES: If additional taxes, penalties, or interest (Assessments) are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 45 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by

law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Subject to applicable law, any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: A Buyer, Seller, Listing Broker, Other Broker, or Escrow Agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:

A. ESCROW: The Escrow Agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as Escrow Agent. Escrow Agent may require any disbursement made in connection with this contract to be conditioned on Escrow Agent's collection of good funds acceptable to Escrow Agent.

B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, Escrow Agent may: (i) require a written release of liability of the Escrow Agent from all parties before releasing any earnest money; and (ii) require payment of unpaid expenses incurred on behalf of a party. Escrow Agent may deduct authorized expenses from the earnest money payable to a party. "Authorized expenses" means expenses incurred by Escrow Agent on behalf of the party entitled to the earnest money that were authorized by this contract or that party.

C. DEMAND: Upon termination of this contract, either party or the Escrow Agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the Escrow Agent. If either party fails to execute the release, either party may make a written demand to the Escrow Agent for the earnest money. If only one party makes written demand for the earnest money, Escrow Agent shall promptly provide a copy of the demand to the other party. If Escrow Agent does not receive written objection to the demand from the other party within 15 days, Escrow Agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and Escrow Agent may pay the same to the creditors. If Escrow Agent complies with the provisions of this paragraph, each party hereby releases Escrow Agent from all adverse claims related to the disbursement of the earnest money.

D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the Escrow Agent within 7 days of receipt of the request will be liable to the other party for (i) damages (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.

E. NOTICES: Escrow Agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by Escrow Agent.

19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

20. GOVERNMENTAL [FEDERAL] REQUIREMENTS:

A. If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

B. Seller and Buyer shall promptly execute and deliver any statements, documents, and information requested by Escrow Agent required by governmental reporting requirements (for example, reporting to the U.S. Treasury or its bureaus).

21. NOTICES: All notices from one party or their agent to the other must be in writing. Notices [and] are effective when mailed to, hand-delivered at, sent by overnight courier to, or transmitted by [fax or] electronic transmission to the other party or their agent. [as follows:]

To Buyer(s) at:

Address: _____

Phone(s) _____

Email(s): _____

To Buyer's agent at:

Address: _____

Phone: _____

Email: _____

To Seller(s) at:

Address: _____

Phone(s): _____

Email(s): _____

To Seller's agent at:

Address: _____

Phone: _____

Email: _____

To Buyer at: _____

To Seller at: _____

Phone: (____) _____

Phone: (____) _____

E-mail/Fax: _____

E-mail/Fax: _____

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Buyer's agent at: _____

With a copy to Seller's agent at: _____

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda and notices which are a part of this contract are (check all applicable boxes):

Financial

- Third Party Financing Addendum
- Addendum for Sale of Other Property by Buyer
- Addendum Concerning Right to Terminate Due to Lender's Appraisal
- Seller Financing Addendum
- Addendum for Section 1031 Exchange
- Short Sale Addendum
- Loan Assumption Addendum

Leases

- Addendum Regarding Residential Leases
- Addendum Regarding Fixture Leases
- Buyer's Temporary Residential Lease
- Seller's Temporary Residential Lease

Additional Tests and Reports

- Addendum for Authorizing Hydrostatic Testing
- Environmental Assessment, Threatened or Endangered Species, and Wetlands Addendum

Statutory Disclosures and Notices

- Addendum for Property in a Propane Gas System Service Area
- Addendum for Property Located Seaward of the Gulf Intercoastal Waterway
- Addendum for Coastal Area Property
- The following utility, water, drainage, public improvement, and other district notices (list all that have been given or are attached): _____

NOTICE: Seller's failure to provide applicable Statutory Disclosures and Notices may provide Buyer with remedies or rights to terminate this contract.

Other

- Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- Non-Realty Items Addendum
- Addendum for "Back-Up" Contract
- Addendum for Reservation of Oil, Gas, and Other Minerals
- Other: _____

- ~~Third Party Financing Addendum~~
- ~~Seller Financing Addendum~~
- ~~Addendum for Property Subject to Mandatory Membership in a Property Owners Association~~
- ~~Buyer's Temporary Residential Lease~~
- ~~Loan Assumption Addendum~~
- ~~Addendum for Sale of Other Property by Buyer~~
- ~~Addendum for Reservation of Oil, Gas and Other Minerals~~
- ~~Addendum for "Back-Up" Contract~~
- ~~Addendum Concerning Right to Terminate Due to Lender's Appraisal~~

- ~~Addendum for Coastal Area Property~~
- ~~Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum~~
- ~~Seller's Temporary Residential Lease~~
- ~~Short-Sale Addendum~~
- ~~Addendum for Property Located Seaward of the Gulf Intracoastal Waterway~~
- ~~Addendum for Property in a Propane Gas System Service Area~~
- ~~Addendum containing Notice of Obligation to Pay Improvement District Assessment~~
- ~~Addendum for Section 1031 Exchange~~
- ~~Other (list): _____~~

23. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate brokers and sales agents from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's Attorney is: _____

Seller's Attorney is: _____

Phone: () _____

Phone: () _____

Fax: () _____

Fax: () _____

E-mail: _____

E-mail: _____

**EXECUTED the _____ day of _____, 20_____ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)**

This contract is subject to Chapter 27 of the Texas Property Code. The provisions of that chapter may affect your right to recover damages arising from a construction defect. If you have a complaint concerning a construction defect and that defect has not been corrected as may be required by law or by contract, you must provide the notice required by Chapter 27 of the Texas Property Code to the contractor by certified mail, return receipt requested, not later than the 60th day before the date you file suit to recover damages in a court of law or initiate arbitration. The notice must refer to Chapter 27 of the Texas Property Code and must describe the construction defect. If requested by the contractor, you must provide the contractor an opportunity to inspect and cure the defect as provided by Section 27.004 of the Texas Property Code.

Buyer

Buyer

Seller

Seller



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (http://www.trec.texas.gov) TREC NO. 23-20[23-19]. This form replaces TREC NO. 23-19[23-18].

BROKER CONTACT INFORMATION
(Print name(s) only. Do not sign)

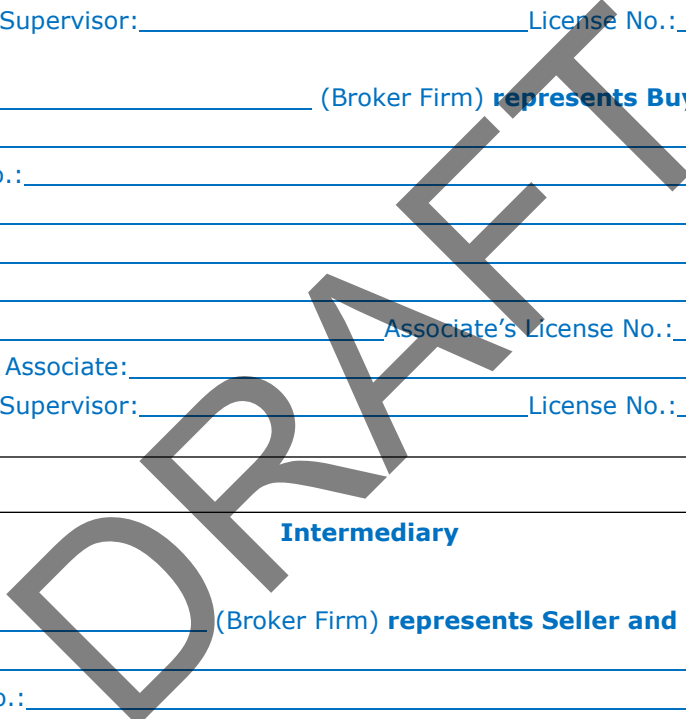
The brokers to this sale are:

(Broker Firm) **represents Seller only as Seller's agent.**

Address: _____
 Broker Firm License No.: _____
 Associate's Name: _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

(Broker Firm) **represents Buyer only as Buyer's agent.**

Address: _____
 Broker Firm License No.: _____
 Associate's Name: _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____



Intermediary

(Broker Firm) **represents Seller and Buyer as an intermediary.**

Address: _____
 Broker Firm License No.: _____
 Associate's Name (for Seller): _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

Associate's Name (for Buyer): _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

BROKER INFORMATION
(Print name(s) only. Do not sign)

Other Broker Firm _____ License No. _____

Listing Broker Firm _____ License No. _____

represents Buyer only as Buyer's agent
 Seller as Listing Broker's subagent

represents Seller and Buyer as an intermediary
 Seller only as Seller's agent

Associate's Name _____ License No. _____

Listing Associate's Name _____ License No. _____

Team Name _____

Team Name _____

Associate's Email Address _____ Phone _____

Listing Associate's Email Address _____ Phone _____

Licensed Supervisor of Associate _____ License No. _____

Licensed Supervisor of Listing Associate _____ License No. _____

Other Broker's Address _____ Phone _____

Listing Broker's Office Address _____ Phone _____

City _____ State _____ Zip _____

City _____ State _____ Zip _____

Selling Associate's Name _____ License No. _____

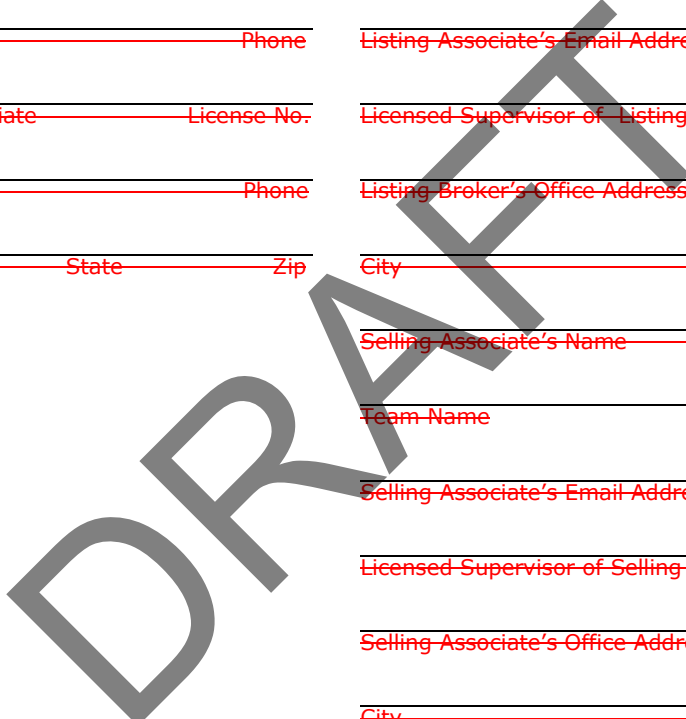
Team Name _____

Selling Associate's Email Address _____ Phone _____

Licensed Supervisor of Selling Associate _____ License No. _____

Selling Associate's Office Address _____

City _____ State _____ Zip _____



[Disclosure: Pursuant to a previous, separate agreement, Listing Broker has agreed to pay Other Broker a fee (\$ _____ or _____ % of the Sales Price). This disclosure is for informational purposes and does not change the previous agreement between brokers to pay or share a commission.]

OPTION FEE RECEIPT

Receipt of \$ _____ option fee [(Option Fee)] in the form of _____ is acknowledged.

Escrow Agent _____

Date _____

EARNEST MONEY RECEIPT

Receipt of \$ _____ earnest money [Earnest Money] in the form of _____ is acknowledged.

Escrow Agent _____

Received by _____

Email Address _____

Date/Time _____

Address _____

Phone _____

City _____

State _____

Zip _____

Fax _____

CONTRACT RECEIPT

Receipt of the contract [Contract] is acknowledged.

Escrow Agent _____

Received by _____

Email Address _____

Date _____

Address _____

Phone _____

City _____

State _____

Zip _____

Fax _____

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional earnest money [Earnest Money] in the form of _____ is acknowledged.

Escrow Agent _____

Received by _____

Email Address _____

Date/Time _____

Address _____

Phone _____

City _____

State _____

Zip _____

Fax _____



NEW HOME CONTRACT

(Completed Construction)

NOTICE: Not For Use For Condominium Transactions or Closings Prior to Completion of Construction



1. PARTIES: The parties to this contract are _____ (Seller) and _____ (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY: Lot _____, Block _____, Addition, _____, City of _____, County of _____, Texas, known as _____ (address/zip code), or as described on attached exhibit, together with: (i) improvements, fixtures and all other property located thereon; and (ii) all rights, privileges and appurtenances thereto. All property sold by this contract is called the Property (Property).

RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. SALES PRICE:

- A. Cash portion of Sales Price payable by Buyer at closing \$_____ The term "Cash portion of the Sales Price" does not include proceeds from borrowing of any kind or selling other real property except as disclosed in this contract.
B. Sum of all financing described in the attached: [] Third Party Financing Addendum, [] Loan Assumption Addendum, [] Seller Financing Addendum \$_____
C. Sales Price (Sum of A and B) \$_____

4. LEASES: Except as disclosed in this contract, Seller is not aware of any leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property. (Check all applicable boxes)

- [] A. RESIDENTIAL LEASES: The Property is subject to one or more residential leases and the Addendum Regarding Residential Leases is attached to this contract.
[] B. FIXTURE LEASES: Fixtures on the Property are subject to one or more fixture leases (for example, solar panels, propane tanks, water softener, security system) and the Addendum Regarding Fixture Leases is attached to this contract.
[] C. NATURAL RESOURCE LEASES: "Natural Resource Lease" means an existing oil and gas, mineral, geothermal, water, wind, or other natural resource lease affecting the Property to which Seller is a party.
[] (1) Seller has delivered to Buyer a copy of all the Natural Resource Leases.
[] (2) Seller has not delivered to Buyer a copy of all the Natural Resource Leases. Seller shall provide to Buyer a copy of all the Natural Resource Leases within 3 days after the Effective Date. Buyer may terminate the contract within _____ days after the date the Buyer receives all the Natural Resource Leases and the earnest money shall be refunded to Buyer.

5. EARNEST MONEY AND TERMINATION OPTION:

A. DELIVERY OF EARNEST MONEY AND OPTION FEE: Within 3 days after the Effective Date, Buyer must deliver to _____ (Escrow Agent) at _____ (address): \$_____ as earnest money and \$_____ as the option fee[Option Fee]. The earnest money and option fee[Option Fee] shall be made payable to Escrow Agent and may be paid separately or combined in a single payment.

- (1) Buyer shall deliver additional earnest money of \$_____ to Escrow Agent within _____ days after the Effective Date of this contract.
(2) If the last day to deliver the earnest money, option fee[Option Fee], or the additional earnest money falls on a Saturday, Sunday, or Legal Holiday[legal holiday], the time to deliver the earnest money, option fee[Option Fee], or the additional earnest money, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or Legal Holiday[legal holiday]. "Legal Holiday" means a legal holiday described in Sections 662.003(a) and 662.003(b)(4) and (6), Texas Government Code.
(3) The amount(s) Escrow Agent receives under this paragraph shall be applied first to the option fee[Option Fee], then to the earnest money, and then to the additional earnest money.
(4) Buyer authorizes Escrow Agent to release and deliver the option fee[Option Fee] to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the option fee[Option Fee] to Seller. The option fee[Option Fee] will be credited to the Sales Price at closing.

B. TERMINATION OPTION: For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the option fee[Option Fee] within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If Buyer gives notice of termination within the time prescribed: (i) the

~~option fee~~[Option Fee] will not be refunded and Escrow Agent shall release any ~~option fee~~ [Option Fee] remaining with Escrow Agent to Seller; and (ii) any earnest money will be refunded to Buyer.

- C. FAILURE TO TIMELY DELIVER EARNEST MONEY: If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money.
- D. FAILURE TO TIMELY DELIVER OPTION FEE: If no dollar amount is stated as the ~~option fee~~ [Option Fee] or if Buyer fails to deliver the ~~option fee~~ [Option Fee] within the time required, Buyer shall not have the unrestricted right to terminate this contract under this Paragraph 5.
- E. TIME: **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**

6. TITLE POLICY AND SURVEY:

- A. TITLE POLICY: Seller shall furnish to Buyer at Seller's Buyer's expense an owner policy of title insurance (Title Policy) issued by _____ (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
 - (1) Restrictive covenants common to the platted subdivision in which the Property is located.
 - (2) The standard printed exception for standby fees, taxes and assessments.
 - (3) Liens created as part of the financing described in Paragraph 3.
 - (4) Utility easements created by the dedication deed or plat of the subdivision in which the Property is located.
 - (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
 - (6) The standard printed exception as to marital rights.
 - (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
 - (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvement:
 - (i) will not be amended or deleted from the title policy; or
 - (ii) will be amended to read, "shortages in area" at the expense of Buyer Seller.
 - (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.

B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

- C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)
 - (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit or Declaration promulgated by the Texas Department of Insurance (T-47 Affidavit or T-47.1 Declaration). Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date if Seller fails to furnish within the time prescribed both the: (i) existing survey; and (ii) affidavit or declaration. If the Title Company or Buyer's lender does not accept the existing survey, or the affidavit or declaration, Buyer shall obtain a new survey at Seller's Buyer's expense no later than 3 days prior to Closing Date.
 - (2) Within _____ days after the Effective Date of this contract, Buyer may obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier. If Buyer fails to obtain the survey, Buyer may not terminate the contract under Paragraph 2B of the Third Party Financing Addendum because the survey was not obtained.
 - (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.

D. OBJECTIONS: Buyer may object in writing to defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; disclosed in the Commitment other than items 6A(1) through (9) above; or which prohibit the following use or activity: _____

Buyer must object the earlier of (i) the Closing Date or (ii) _____ days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived by Buyer. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date

will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

(1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.

(2) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property is is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2A in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association should be used.

(3) STATUTORY TAX DISTRICTS: If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.

(4) TIDE WATERS: If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. ~~[An addendum containing the notice promulgated by TREC or required by the parties must be used.]~~

(5) ANNEXATION: If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.

(6) PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER: Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.

(7) PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district,

Seller must give Buyer written notice as required by §5.014, Property Code. ~~[An addendum containing the required notice shall be attached to this contract.]~~

- (8) TRANSFER FEES: If the Property is subject to a private transfer fee obligation, §5.205, Property Code, requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (9) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. ~~[An addendum containing the notice approved by TREC or required by the parties should be used.]~~
- (10) NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- (11) CERTIFICATE OF MOLD REMEDIATION: If the Property has been remediated for mold, Seller must provide to Buyer each certificate of mold damage remediation issued under §1958.154, Occupations Code, during the 5 years preceding the sale of the Property.

~~[(12)REQUIRED NOTICES: The following notices have been given or are attached to this contract (for example, utility, water, drainage, and public improvement districts): _____; Seller's failure to provide applicable statutory notices may provide Buyer with remedies or rights to terminate the contract.]~~

7. PROPERTY CONDITION:

A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.

B. ACCEPTANCE OF PROPERTY CONDITION: "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- (1) Buyer accepts the Property As Is.
- (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections," that do not identify specific repairs and treatments.)

C. WARRANTIES: Except as expressly set forth in this contract, a separate writing, or provided by law, Seller makes no other express warranties. Seller shall assign to Buyer at closing all assignable manufacturer warranties.

D. INSULATION: As required by Federal Trade Commission Regulations, the information relating to the insulation installed or to be installed in the Improvements at the Property is: (check only one box below)

- (1) as shown in the attached specifications.
- (2) as follows:
 - (a) Exterior walls of improved living areas: insulated with _____ insulation to a thickness of _____ inches which yields an R-Value of _____.
 - (b) Walls in other areas of the home: insulated with _____ insulation to a thickness of _____ inches which yields an R-Value of _____.
 - (c) Ceilings in improved living areas: insulated with _____ insulation to a thickness of _____ inches which yields an R-Value of _____.
 - (d) Floors of improved living areas not applied to a slab foundation: insulated with _____ insulation to a thickness of _____ inches which yields an R-Value of _____.
 - (e) Other insulated areas: insulated with _____ insulation to a thickness of _____ inches which yields an R-Value of _____.

All stated R-Values are based on information provided by the manufacturer of the insulation.

E. LENDER REQUIRED REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, neither party is obligated to pay for lender required repairs, which includes treatment for wood destroying insects. If the parties do not agree to pay for the lender required repairs or treatments, this contract will terminate and the earnest money will be refunded to Buyer. If the cost of lender required repairs and treatments exceeds 5% of the Sales Price, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

F. COMPLETION OF REPAIRS, TREATMENTS, AND IMPROVEMENTS: Unless otherwise agreed in writing, Seller shall complete all agreed repairs, treatments, and improvements (Work) prior

[11-04-2024]

(Address of Property)

to the Closing Date and obtain any required permits. The Work must be performed by persons who are licensed to provide such Work or, if no license is required by law, are commercially engaged in the trade of providing such Work. Seller shall: (i) provide Buyer with copies of documentation from the repair person(s) showing the scope of work and payment for the work completed; and (ii) at Seller's expense, arrange for the transfer of any transferable warranties with respect to the Work to Buyer at closing. If Seller fails to complete any agreed Work prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days if necessary for Seller to complete Work.

G. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

H. SELLER'S DISCLOSURE:

- (1) Seller is is not aware of any flooding of the Property which has had a material adverse effect on the use of the Property.
 - (2) Seller is is not aware of any pending or threatened litigation, condemnation, or special assessment affecting the Property.
 - (3) Seller is is not aware of any environmental hazards that materially and adversely affect the Property.
 - (4) Seller is is not aware of any dumpsite, landfill, or underground tanks or containers now or previously located on the Property.
 - (5) Seller is is not aware of any wetlands, as defined by federal or state law or regulation, affecting the Property.
 - (6) Seller is is not aware of any threatened or endangered species or their habitat affecting the Property.
 - (7) Seller is is not aware that the Property is located wholly partly in a floodplain.
 - (8) Seller is is not aware that a tree or trees located on the Property has oak wilt.
- If Seller is aware of any of the items above, explain (attach additional sheets if necessary): _____

I. RESIDENTIAL SERVICE CONTRACTS: Buyer may purchase a residential service contract from a provider or administrator licensed by the Texas Department of Licensing and Regulation. If Buyer purchases a residential service contract, Seller shall reimburse Buyer at closing for the cost of the residential service contract in an amount not exceeding \$_____. Buyer should review any residential service contract for the scope of coverage, exclusions and limitations. **The purchase of a residential service contract is optional. Similar coverage may be purchased from various companies authorized to do business in Texas.**

J. SELLER'S DISCLOSURE ABOUT GROUNDWATER AND SURFACE WATER RIGHTS (Seller's Water Disclosure): Access to surface water or groundwater on the Property may be regulated, restricted, or prohibited, including but not limited to the right to drill or operate water wells and the right to withdraw water from surface water sources on or adjoining the Property. The parties shall use the Seller's Water Disclosure published by TREC to identify information related to groundwater and surface water rights. (Check one box only)

- (1) Buyer has received the Seller's Water Disclosure.
- (2) Buyer has not received the Seller's Water Disclosure. Within _____ days after the Effective Date of this contract, Seller shall deliver the Seller's Water Disclosure to Buyer. If Buyer does not receive the Seller's Water Disclosure, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the Seller's Water Disclosure, Buyer may terminate this contract for any reason within 7 days after Buyer receives the Seller's Water Disclosure or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.
- (3) Seller is not required to deliver the Seller's Water Disclosure to Buyer because all of the following are true:
 - (a) Seller is not aware of a water well on the Property (in use or not in use);
 - (b) Seller is not aware of a pond, lake, or water tank on the Property;
 - (c) Seller is not aware of any certificate of adjudication, certified filing, or permit for surface water rights associated with the Property administered by the Texas Commission on Environmental Quality;
 - (d) Seller is not aware that any groundwater rights to the Property have been severed, sold, or leased in whole or in part; and
 - (e) the Property receives water only from the following municipality (City), municipal utility district (MUD) or other special district, water supply corporation (WSC), or private water supply company (PWC): _____

8. **BROKER OR SALES AGENT DISCLOSURE: [BROKERS AND SALES AGENTS:]**

~~[A. BROKER OR SALES AGENT DISCLOSURE:]~~ Texas law requires a real estate broker or sales agent who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the broker or sales agent owns more than 10%, or a trust for which the broker or sales agent acts as a trustee or of which the broker or sales agent or the broker or sales agent's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____

[11-04-2024]

(Address of Property)

~~[B. BROKERS' FEES: All obligations of the parties for payment of brokers' fees are contained in separate written agreements.]~~

9. CLOSING:

A. The closing of the sale will be on or before _____, 20____, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales Price in good funds acceptable to the Escrow Agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents, transfer of any warranties, and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
- (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
- (5) Private transfer fees (as defined by Chapter 5, Subchapter G of the Texas Property Code) will be the obligation of Seller unless provided otherwise in this contract. Transfer fees assessed by a property owners' association are governed by the Addendum for Property Subject to Mandatory Membership in a Property Owners Association.

10. POSSESSION:

A. BUYER'S POSSESSION: Seller shall deliver to Buyer possession of the Property in its present or required condition, ordinary wear and tear excepted: upon closing and funding according to a temporary residential lease form promulgated by TREC or other written lease required by the parties. Any possession by Buyer prior to closing or by Seller after closing which is not authorized by a written lease will establish a tenancy at sufferance relationship between the parties. **Consult your insurance agent prior to change of ownership and possession because insurance coverage may be limited or terminated. The absence of a written lease or appropriate insurance coverage may expose the parties to economic loss.**

B. SMART DEVICES: "Smart Device" means a device that connects to the internet to enable remote use, monitoring, and management of: (i) the Property; (ii) items identified in any Non-Realty Items Addendum; or (iii) items in a Fixture Lease assigned to Buyer. At the time Seller delivers possession of the Property to Buyer, Seller shall:

- (1) deliver to Buyer written information containing all access codes, usernames, passwords, and applications Buyer will need to access, operate, manage, and control the Smart Devices; and
- (2) terminate and remove all access and connections to the improvements and accessories from any of Seller's personal devices including but not limited to phones and computers.

11. SPECIAL PROVISIONS:

(This paragraph is intended to be used only for additional informational items. An informational item is a statement that completes a blank in a contract form, discloses factual information, or provides instructions. Real estate brokers and sales agents are prohibited from practicing law and shall not add to, delete, or modify any provision of this contract unless drafted by a party to this contract or a party's attorney.) _____

12. SETTLEMENT AND OTHER EXPENSES:

A. EXPENSES: The following expenses must be paid at or prior to closing:

- (1) Seller shall pay the following expenses (Seller's Expenses):
 - (a) releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; ~~[brokerage fees that Seller has agreed to pay;]~~ and other expenses payable by Seller under this contract;

~~[(b) the following amount to be applied to brokerage fees that Buyer has agreed to pay: \$ _____ or _____ % of the Sales Price (check one box only); and]~~

(b) [(c)] an amount not to exceed \$ _____ to be applied to [other] Buyer's Expenses other than brokerage compensation or contributions under Paragraph 12B below.

- (2) Buyer shall pay the following expenses (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; ~~[brokerage fees that Buyer has agreed to pay;]~~ and other expenses payable by Buyer under this contract.

B. BROKERAGE COMPENSATION: Brokerage compensation is not set by law and is fully negotiable. Each party shall pay their respective brokers pursuant to the terms of the parties' obligations to compensate their brokers contained in separate written agreements. The contributions under 12B(1) and 12B(2) below shall be applied to and shall not change the parties' obligations to pay compensation pursuant to those agreements. The following contributions must be paid at closing:

[11-04-2024]

(Address of Property)

- (1) Seller will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Buyer to Buyer's broker.
- (2) Buyer will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Seller to Seller's broker.

~~[B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.]~~

C. EXPENSE LIMITATION: If a governmental loan program regulation prohibits Buyer from paying charges or fees, then the amount of any concession in 12A(1)(b) shall be first applied to pay such prohibited expenses and then to other Buyer's Expenses but not brokerage compensation or contribution.

13. PRORATIONS AND ROLLBACK TAXES:

- A. PRORATIONS: Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues (including prepaid items) will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer will be obligated to pay taxes for the current year.
- B. ROLLBACK TAXES: If additional taxes, penalties, or interest (Assessments) are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Subject to applicable law, any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: A Buyer, Seller, Listing Broker, Other Broker, or Escrow Agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:

- A. ESCROW: The Escrow Agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as Escrow Agent. Escrow Agent may require any disbursement made in connection with this contract to be conditioned on Escrow Agent's collection of good funds acceptable to Escrow Agent.
- B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, Escrow Agent may: (i) require a written release of liability of the Escrow Agent from all parties before releasing any earnest money; and (ii) require payment of unpaid expenses incurred on behalf of a party. Escrow Agent may deduct authorized expenses from the earnest money payable to a party. "Authorized expenses" means expenses incurred by Escrow Agent on behalf of the party entitled to the earnest money that were authorized by this contract or that party.
- C. DEMAND: Upon termination of this contract, either party or the Escrow Agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the Escrow Agent. If either party fails to execute the release, either party may make a written demand to the Escrow Agent for the earnest money. If only one party makes written demand for the earnest money, Escrow Agent shall promptly provide a copy of the demand to the other party. If Escrow Agent does not receive written objection to the demand from the other party within 15 days, Escrow Agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and Escrow Agent may pay the same to the creditors. If Escrow Agent complies with the provisions of this paragraph, each party hereby releases Escrow Agent from all adverse claims related to the disbursement of the earnest money.
- D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the Escrow

Agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.

E. NOTICES: Escrow Agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by Escrow Agent.

19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

20. GOVERNMENTAL [FEDERAL] REQUIREMENTS:

A. If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

B. Seller and Buyer shall promptly execute and deliver any statements, documents, and information requested by Escrow Agent required by governmental reporting requirements (for example, reporting to the U.S. Treasury or its bureaus).

21. NOTICES: All notices from one party or their agent to the other must be in writing. Notices [and] are effective when mailed to, hand-delivered at, sent by overnight courier to, or transmitted by [fax or] electronic transmission to the other party or their agent. [as follows:]

To Buyer(s) at:

Address: _____

Phone(s) _____

Email(s): _____

To Buyer's agent at:

Address: _____

Phone: _____

Email: _____

To Seller(s) at:

Address: _____

Phone(s): _____

Email(s): _____

To Seller's agent at:

Address: _____

Phone: _____

Email: _____

To Buyer at: _____

Phone: (____) _____

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Buyer's agent at: _____

To Seller at: _____

Phone: (____) _____

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Seller's agent at: _____



22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda and notices which are a part of this contract are (check all applicable boxes):

Financial

- Third Party Financing Addendum
- Addendum for Sale of Other Property by Buyer
- Addendum Concerning Right to Terminate Due to Lender's Appraisal
- Seller Financing Addendum
- Addendum for Section 1031 Exchange
- Short Sale Addendum
- Loan Assumption Addendum

Leases

- Addendum Regarding Residential Leases
- Addendum Regarding Fixture Leases
- Buyer's Temporary Residential Lease
- Seller's Temporary Residential Lease

Additional Tests and Reports

- Addendum for Authorizing Hydrostatic Testing
- Environmental Assessment, Threatened or Endangered Species, and Wetlands Addendum

Statutory Disclosures and Notices

- Addendum for Property in a Propane Gas System Service Area
- Addendum for Property Located Seaward of the Gulf Intercoastal Waterway
- Addendum for Coastal Area Property
- The following utility, water, drainage, public improvement, and other district notices (list all that have been given or are attached): _____

NOTICE: Seller's failure to provide applicable Statutory Disclosures and Notices may provide Buyer with remedies or rights to terminate this contract.

Other

- Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- Non-Realty Items Addendum
- Addendum for "Back-Up" Contract
- Addendum for Reservation of Oil, Gas, and Other Minerals
- Other: _____

- | | |
|---|---|
| <input checked="" type="checkbox"/> Third Party Financing Addendum | <input checked="" type="checkbox"/> Addendum for Coastal Area Property |
| <input checked="" type="checkbox"/> Seller Financing Addendum | <input checked="" type="checkbox"/> Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum |
| <input checked="" type="checkbox"/> Addendum for Property Subject to Mandatory Membership in a Property Owners Association | <input checked="" type="checkbox"/> Seller's Temporary Residential Lease |
| <input checked="" type="checkbox"/> Buyer's Temporary Residential Lease | <input checked="" type="checkbox"/> Short Sale Addendum |
| <input checked="" type="checkbox"/> Loan Assumption Addendum | <input checked="" type="checkbox"/> Addendum for Property Located Seaward of the Gulf Intracoastal Waterway |
| <input checked="" type="checkbox"/> Addendum for Sale of Other Property by Buyer | <input checked="" type="checkbox"/> Addendum for Property in a Propane Gas System Service Area |
| <input checked="" type="checkbox"/> Addendum for Reservation of Oil, Gas and Other Minerals | <input checked="" type="checkbox"/> Addendum containing Notice of Obligation to Pay Improvement District Assessment |
| <input checked="" type="checkbox"/> Addendum for "Back-Up" Contract | <input checked="" type="checkbox"/> Addendum for Section 1031 Exchange |
| <input checked="" type="checkbox"/> Addendum Concerning Right to Terminate Due to Lender's Appraisal | <input checked="" type="checkbox"/> Other (list): _____ |
| <input checked="" type="checkbox"/> Addendum Regarding Residential Leases | |
| <input checked="" type="checkbox"/> Addendum Regarding Fixture Leases | |

23. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate license brokers and sales agents from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's Attorney is: _____

Seller's Attorney is: _____

Phone: () _____

Phone: () _____

Fax: () _____

Fax: () _____

E-mail: _____

E-mail: _____

**EXECUTED the _____ day of _____, 20____ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)**

This contract is subject to Chapter 27 of the Texas Property Code. The provisions of that chapter may affect your right to recover damages arising from a construction defect. If you have a complaint concerning a construction defect and that defect has not been corrected as may be required by law or by contract, you must provide the notice required by Chapter 27 of the Texas Property Code to the contractor by certified mail, return receipt requested, not later than the 60th day before the date you file suit to recover damages in a court of law or initiate arbitration. The notice must refer to Chapter 27 of the Texas Property Code and must describe the construction defect. If requested by the contractor, you must provide the contractor an opportunity to inspect and cure the defect as provided by Section 27.004 of the Texas Property Code.

Buyer

Buyer

Seller

Seller



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. [24-20\[24-19\]](#). This form replaces TREC NO. [24-19\[24-18\]](#).

BROKER CONTACT INFORMATION
(Print name(s) only. Do not sign)

The brokers to this sale are:

_____ (Broker Firm) **represents Seller only as Seller's agent.**

Address: _____

Broker Firm License No.: _____

Associate's Name: _____

Team Name: _____

Associate's Email: _____

Associate's Phone No.: _____ Associate's License No.: _____

Licensed Supervisor of Associate: _____

Phone No. of Licensed Supervisor: _____ License No.: _____

_____ (Broker Firm) **represents Buyer only as Buyer's agent.**

Address: _____

Broker Firm License No.: _____

Associate's Name: _____

Team Name: _____

Associate's Email: _____

Associate's Phone No.: _____ Associate's License No.: _____

Licensed Supervisor of Associate: _____

Phone No. of Licensed Supervisor: _____ License No.: _____

Intermediary

_____ (Broker Firm) **represents Seller and Buyer as an intermediary.**

Address: _____

Broker Firm License No.: _____

Associate's Name (for Seller): _____

Team Name: _____

Associate's Email: _____

Associate's Phone No.: _____ Associate's License No.: _____

Licensed Supervisor of Associate: _____

Phone No. of Licensed Supervisor: _____ License No.: _____

Associate's Name (for Buyer): _____

Team Name: _____

Associate's Email: _____

Associate's Phone No.: _____ Associate's License No.: _____

Licensed Supervisor of Associate: _____

Phone No. of Licensed Supervisor: _____ License No.: _____

BROKER INFORMATION
(Print name(s) only. Do not sign)

Other Broker Firm _____ License No. _____

Listing Broker Firm _____ License No. _____

represents Buyer only as Buyer's agent
 Seller as Listing Broker's subagent

represents Seller and Buyer as an intermediary
 Seller only as Seller's agent

Associate's Name _____ License No. _____

Associate's Name _____ License No. _____

Team Name _____

Team Name _____

Associate's Email Address _____ Phone _____

Listing Associate's Email Address _____ Phone _____

Licensed Supervisor of Associate _____ License No. _____

Licensed Supervisor of Listing Associate _____ License No. _____

Other Broker's Address _____ Phone _____

Listing Broker's Office Address _____ Phone _____

City _____ State _____ Zip _____

City _____ State _____ Zip _____

Selling Associate's Name _____ License No. _____

Team Name _____

Selling Associate's Email Address _____ Phone _____

Licensed Supervisor of Selling Associate _____ License No. _____

Selling Associate's Office Address _____

City _____ State _____ Zip _____

DRAFT

[Disclosure: Pursuant to a previous, separate agreement, Listing Broker has agreed to pay Other Broker a fee (\$_____ or _____% of the Sales Price). This disclosure is for informational purposes and does not change the previous agreement between brokers to pay or share a commission.]

OPTION FEE RECEIPT

Receipt of \$ _____ [option fee](#) [~~Option Fee~~] in the form of _____
is acknowledged.

Escrow Agent _____ Date _____

EARNEST MONEY RECEIPT

Receipt of \$ _____ [earnest money](#) [~~Earnest Money~~] in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

CONTRACT RECEIPT

Receipt of the [contract](#) [~~Contract~~] is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional [earnest money](#) [~~Earnest Money~~] in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____



FARM AND RANCH CONTRACT

NOTICE: Designed For Use In Sales Of Existing Farms Or Ranches Of Any Size. Not For Use In Complex Transactions.



1. PARTIES: The parties to this contract are _____ (Seller) and _____ (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY: The land, improvements, accessories and crops except for the exclusions and reservations, are collectively referred to as the Property (Property).

A. LAND: The land situated in the County (or Counties) of _____

Texas, described as follows: _____

or as described on attached exhibit, also known as _____ (address/zip code), together with all rights, privileges, and appurtenances pertaining thereto.

B. IMPROVEMENTS:

(1) FARM AND RANCH IMPROVEMENTS: The following **permanently installed and built-in items**, if any: windmills, tanks, barns, pens, fences, gates, sheds, outbuildings, and corrals.

(2) RESIDENTIAL IMPROVEMENTS: Any houses, garages, and all other fixtures and improvements attached to the above-described real property, including without limitation, the following **permanently installed and built-in items**, if any: all equipment and appliances, valances, screens, shutters, awnings, wall-to-wall carpeting, mirrors, ceiling fans, attic fans, mail boxes, television antennas, mounts and brackets for televisions and speakers, heating and air-conditioning units, security and fire detection equipment, wiring, plumbing and lighting fixtures, chandeliers, water softener system, kitchen equipment, garage door openers, cleaning equipment, shrubbery, landscaping, outdoor cooking equipment, **generators**, and all other property attached to the above described real property.

C. ACCESSORIES:

(1) FARM AND RANCH ACCESSORIES: The following described related accessories: (check boxes of conveyed accessories) portable buildings hunting blinds game feeders livestock feeders and troughs irrigation equipment fuel tanks submersible pumps pressure tanks corrals gates chutes other: _____

(2) RESIDENTIAL ACCESSORIES: The following described related accessories, if any: window conditioning units, stove, fireplace screens, curtains and rods, blinds, window shades, draperies and rods, door keys, mailbox keys, above ground pool, swimming pool equipment and maintenance accessories, artificial fireplace logs, security systems that are not fixtures, and controls for: (i) garage doors, (ii) entry gates, and (iii) other improvements and accessories. "Controls" includes Seller's transferable rights to the (i) software and applications used to access and control improvements or accessories, and (ii) hardware used solely to control improvements or accessories.

D. CROPS: Unless otherwise agreed in writing, Seller has the right to harvest all growing crops until delivery of possession of the Property.

E. EXCLUSIONS: The following improvements, accessories, and crops will be retained by Seller and must be removed prior to delivery of possession: _____

F. RESERVATIONS: Any reservation for oil, gas, or other minerals, water, timber, or other interests is made in accordance with an attached addendum.

3. SALES PRICE:

A. Cash portion of Sales Price payable by Buyer at closing \$ _____

The term "Cash portion of the Sales Price" does not include proceeds from borrowing of any kind or selling other real property except as disclosed in this contract.

B. Sum of all financing described in the attached: Third Party Financing Addendum, Loan Assumption Addendum, Seller Financing Addendum .. \$ _____

C. Sales Price (Sum of A and B) \$ _____

D. The Sales Price will will not be adjusted based on the survey required by Paragraph 6C. If the Sales Price is adjusted, the Sales Price will be adjusted based on the difference between _____ acres and the acreage set forth in the survey required by Paragraph 6C. The difference in acreage (either increased or decreased) shall be multiplied by the sum of \$ _____ per acre and either added to or subtracted from the Sales Price stated in Paragraph 3C. If the Sales Price is adjusted by more than 10%, either party may terminate this contract by providing written notice to the other party within _____ days after the terminating party receives the survey. If neither party terminates this contract or if the variance is 10% or less, the adjustment will be made to the amount in 3A 3B proportionately to 3A and 3B.

4. LEASES: Except as disclosed in this contract, Seller is not aware of any leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property. (Check all applicable boxes)

A. RESIDENTIAL LEASES: The Property is subject to one or more residential leases and the Addendum Regarding Residential Leases is attached to this contract.

B. FIXTURE LEASES: Fixtures on the Property are subject to one or more fixture leases (for example, solar panels, propane tanks, water softener, security system) and the Addendum Regarding Fixture Leases is attached to this contract.

- C. NATURAL RESOURCE LEASES: "Natural Resource Lease" means an existing oil and gas, mineral, geothermal, water, or other natural resource lease affecting the Property to which Seller is a party.
(1) Seller has delivered to Buyer a copy of all the Natural Resource Leases.
(2) Seller has not delivered to Buyer a copy of all the Natural Resource Leases. Seller shall provide to Buyer a copy of all the Natural Resource Leases within 3 days after the Effective Date.
D. SURFACE LEASES: "Surface Lease" means an existing lease for the surface only of the Property (for example, grazing leases, hunting leases, agricultural leases, recreational leases, wind leases, solar leases, timber or forestry leases).
(1) Seller has delivered to Buyer a copy of all written Surface Leases.
(2) Seller provides Buyer with notice of the following oral Surface Lease(s), identifying the type of lease, name of the tenant(s), rental amount, and term:
(3) Seller has not delivered to Buyer all Surface Leases (whether written or oral). Seller shall provide to Buyer a copy of all the written Surface Leases and notice of all oral Surface Leases, identifying the type of lease, the name of the tenant(s), rental amount, and term, within 3 days after the Effective Date.

5. EARNEST MONEY AND TERMINATION OPTION:

- A. DELIVERY OF EARNEST MONEY AND OPTION FEE: Within 3 days after the Effective Date, Buyer must deliver to _____ (Escrow Agent) at _____ (address): \$ _____ as earnest money and \$ _____ as the option fee [Option-Fee].
(1) Buyer shall deliver additional earnest money of \$ _____ to Escrow Agent within _____ days after the Effective Date of this contract.
(2) If the last day to deliver the earnest money, option fee [Option-Fee], or the additional earnest money falls on a Saturday, Sunday, or Legal Holiday [legal holiday], the time to deliver the earnest money, option fee [Option-Fee], or the additional earnest money, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or Legal Holiday [legal holiday].
(3) The amount(s) Escrow Agent receives under this paragraph shall be applied first to the option fee [Option-Fee], then to the earnest money, and then to the additional earnest money.
(4) Buyer authorizes Escrow Agent to release and deliver the option fee [Option-Fee] to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the option fee [Option-Fee] to Seller.
B. TERMINATION OPTION: For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the option fee [Option-Fee] within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period).
C. FAILURE TO TIMELY DELIVER EARNEST MONEY: If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money.
D. FAILURE TO TIMELY DELIVER OPTION FEE: If no dollar amount is stated as the option fee [Option-Fee] or if Buyer fails to deliver the option fee [Option-Fee] within the time required, Buyer shall not have the unrestricted right to terminate this contract under this Paragraph 5.
E. TIME: Time is of the essence for this paragraph and strict compliance with the time for performance is required.

6. TITLE POLICY AND SURVEY:

- A. TITLE POLICY: Seller shall furnish to Buyer at [] Seller's [] Buyer's expense an owner policy of title insurance (Title Policy) issued by: _____ (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:
(1) The standard printed exception for standby fees, taxes and assessments.
(2) Liens created as part of the financing described in Paragraph 3.
(3) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
(4) The standard printed exception as to marital rights.
(5) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
(6) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements:

- (i) will not be amended or deleted from the title policy; or
(ii) will be amended to read, "shortages in area" at the expense of Buyer Seller.
(7) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.

B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only):

- (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit or Declaration promulgated by the Texas Department of Insurance (T-47 Affidavit or T-47.1 Declaration). Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date if Seller fails to furnish within the time prescribed both the: (i) existing survey; and (ii) affidavit or declaration. If the Title Company or Buyer's lender does not accept the existing survey, or the affidavit or declaration, Buyer shall obtain a new survey at Seller's Buyer's expense no later than 3 days prior to Closing Date.
(2) Within _____ days after the Effective Date of this contract, Buyer may obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier. If Buyer fails to obtain the survey, Buyer may not terminate the contract under Paragraph 2B of the Third Party Financing Addendum because the survey was not obtained.
(3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.
(4) No survey is required.

D. OBJECTIONS: Buyer may object in writing to (i) defects, exceptions, or encumbrances to title disclosed on the survey other than items 6A(1) through (5) above; or disclosed in the Commitment other than items 6A(1) through (7) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity:

Buyer must object the earlier of (i) the Closing Date or (ii) _____ days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived by Buyer. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, survey, or Exception Document(s) is delivered to Buyer.

E. EXCEPTION DOCUMENTS: Prior to the execution of the contract, Seller has provided Buyer with copies of the Exception Documents listed below or on the attached exhibit. Matters reflected in the Exception Documents listed below or on the attached exhibit will be permitted exceptions in the Title Policy and will not be a basis for objection to title:

Table with 3 columns: Document, Date, Recording Reference. The table is currently empty.

F. SURFACE LEASES: The following Surface Leases will be permitted exceptions in the Title Policy and will not be a basis for objection to title:

- G. TITLE NOTICES:
(1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
(2) STATUTORY TAX DISTRICTS: If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49,

~~04-2024~~ (Address of Property)

Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.

- (3) TIDE WATERS: If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. ~~[An addendum containing the notice promulgated by TREC or required by the parties must be used.]~~
- (4) ANNEXATION: If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (5) PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER: Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (6) PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. ~~[An addendum containing the required notice shall be attached to this contract.]~~
- (7) TEXAS AGRICULTURAL DEVELOPMENT DISTRICT: The Property is is not located in a Texas Agricultural Development District. For additional information contact the Texas Department of Agriculture
- (8) TRANSFER FEES: If the Property is subject to a private transfer fee obligation, §5.205, Property Code, requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (9) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. ~~[An addendum containing the notice approved by TREC or required by the parties should be used.]~~
- (10) NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions.
- (11) CERTIFICATE OF MOLD REMEDIATION: If the Property has been remediated for mold, Seller must provide to Buyer each certificate of mold damage remediation issued under §1958.154, Occupations Code, during the 5 years preceding the sale of the Property.

~~[(12) REQUIRED NOTICES: The following notices have been given or are attached to this contract (for example, utility, water, drainage, and public improvement districts): _____ Seller's failure to provide applicable statutory notices may provide Buyer with remedies or rights to terminate the contract.]~~

7. PROPERTY CONDITION:

A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Any hydrostatic testing must be separately authorized by Seller in writing. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect .

NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

B. SELLER'S DISCLOSURE NOTICE PURSUANT TO §5.008, TEXAS PROPERTY CODE ([Seller's Disclosure](#) Notice):
(Check one box only)

- (1) Buyer has received the [Seller's Disclosure](#) Notice
- (2) Buyer has not received the [Seller's Disclosure](#) Notice. Within _____ days after the Effective Date of this contract, Seller shall deliver the [Seller's Disclosure](#) Notice to Buyer. If Buyer does not receive the [Seller's Disclosure](#) Notice, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the [Seller's Disclosure](#) Notice, Buyer may terminate this contract for any reason within 7 days after Buyer receives the [Seller's Disclosure](#) Notice or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.
- (3) The Texas Property Code does not require this Seller to furnish the [Seller's Disclosure](#) Notice.

C. SELLER'S DISCLOSURE OF LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS is required by Federal law for a residential dwelling constructed prior to 1978.

D. ACCEPTANCE OF PROPERTY CONDITION: "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7D(1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating

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repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- (1) Buyer accepts the Property As Is.
- (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections," that do not identify specific repairs and treatments.)

E. COMPLETION OF REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, Seller shall complete all agreed repairs and treatments prior to the Closing Date and obtain any required permits. The repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. Seller shall: (i) provide Buyer with copies of documentation from the repair person(s) showing the scope of work and payment for the work completed; and (ii) at Seller's expense, arrange for the transfer of any transferable warranties with respect to the repairs to Buyer at closing. If Seller fails to complete any agreed repairs prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days if necessary for Seller to complete repairs.

F. LENDER REQUIRED REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, neither party is obligated to pay for lender required repairs, which includes treatment for wood destroying insects. If the parties do not agree to pay for the lender required repairs or treatments, this contract will terminate and the earnest money will be refunded to Buyer. If the cost of lender required repairs and treatments exceeds 5% of the Sales Price, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

G. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

H. SELLER'S DISCLOSURE:

- (1) Seller is is not aware of any flooding of the Property which has had a material adverse effect on the use of the Property.
- (2) Seller is is not aware of any pending or threatened litigation, condemnation, or special assessment affecting the Property.
- (3) Seller is is not aware of any environmental hazards that materially and adversely affect the Property.
- (4) Seller is is not aware of any dumpsite, landfill, or underground tanks or containers now or previously located on the Property.
- (5) Seller is is not aware of any wetlands, as defined by federal or state law or regulation, affecting the Property.
- (6) Seller is is not aware of any threatened or endangered species or their habitat affecting the Property.
- (7) Seller is is not aware that the Property is located wholly partly in a floodplain.
- (8) Seller is is not aware that a tree or trees located on the Property has oak wilt.

If Seller is aware of any of the items above, explain (attach additional sheets if necessary): _____

I. RESIDENTIAL SERVICE CONTRACTS: Buyer may purchase a residential service contract from a provider or administrator licensed by the Texas Department of Licensing and Regulation. If Buyer purchases a residential service contract, Seller shall reimburse Buyer at closing for the cost of the residential service contract in an amount not exceeding \$_____. Buyer should review any residential service contract for the scope of coverage, exclusions and limitations. **The purchase of a residential service contract is optional. Similar coverage may be purchased from various companies authorized to do business in Texas.**

J. GOVERNMENT PROGRAMS: The Property is subject to the government programs listed below or on the attached exhibit: _____

Seller shall provide Buyer with copies of all governmental program agreements. Any allocation or proration of payment under governmental programs is made by separate agreement between the parties which will survive closing.

K. SELLER'S DISCLOSURE ABOUT GROUNDWATER AND SURFACE WATER RIGHTS (Seller's Water Disclosure): Access to surface water or groundwater on the Property may be regulated, restricted, or prohibited, including but not limited to the right to drill or operate water wells and the right to withdraw water from surface water sources on or adjoining the Property. The parties shall use the Seller's Water Disclosure published by TREC to identify information related to groundwater and surface water rights. (Check one box only)

- (1) Buyer has received the Seller's Water Disclosure.
- (2) Buyer has not received the Seller's Water Disclosure. Within _____ days after the Effective Date of this contract, Seller shall deliver the Seller's Water Disclosure to Buyer. If Buyer does not receive the Seller's Water Disclosure, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the Seller's Water Disclosure, Buyer may terminate this contract for any reason within 7 days after Buyer receives the Seller's Water Disclosure or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer. If Seller delivers the Seller's Water Disclosure, Buyer may terminate this contract for any reason within 7 days after Buyer receives the Seller's Water Disclosure or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.

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(3) Seller is not required to deliver the Seller's Water Disclosure to Buyer because all of the following are true:

- (a) Seller is not aware of a water well on the Property (in use or not in use);
- (b) Seller is not aware of a pond, lake, or water tank on the Property;
- (c) Seller is not aware of any certificate of adjudication, certified filing, or permit for surface water rights associated with the Property administered by the Texas Commission on Environmental Quality;
- (d) Seller is not aware that any groundwater rights to the Property have been severed, sold, or leased in whole or in part; and
- (e) the Property receives water only from the following municipality (City), municipal utility district (MUD) or other special district, water supply corporation (WSC), or private water supply company (PWC): _____

8. BROKER OR SALES AGENT DISCLOSURE: [BROKERS AND SALES AGENTS:]

~~[A. BROKER OR SALES AGENT DISCLOSURE:]~~ Texas law requires a real estate broker or sales agent who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the broker or sales agent owns more than 10%, or a trust for which the broker or sales agent acts as a trustee or of which the broker or sales agent or the broker or sales agent's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____

~~[B. BROKERS' FEES: All obligations of the parties for payment of brokers' fees are contained in separate written agreements:]~~

9. CLOSING:

A. The closing of the sale will be on or before _____, 20____, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6, an assignment of Leases, and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales Price in good funds acceptable to the Escrow Agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents, transfer of any warranties, and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
- (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
- (5) Private transfer fees (as defined by Chapter 5, Subchapter G of the Texas Property Code) will be the obligation of Seller unless provided otherwise in this contract. Transfer fees assessed by a property owners' association are governed by the Addendum for Property Subject to Mandatory Membership in a Property Owners Association.

10. POSSESSION:

A. BUYER'S POSSESSION: Seller shall deliver to Buyer possession of the Property in its present or required condition, ordinary wear and tear excepted: upon closing and funding according to a temporary residential lease form promulgated by TREC or other written lease required by the parties. Any possession by Buyer prior to closing or by Seller after closing which is not authorized by a written lease will establish a tenancy at sufferance relationship between the parties. **Consult your insurance agent prior to change of ownership and possession because insurance coverage may be limited or terminated. The absence of a written lease or appropriate insurance coverage may expose the parties to economic loss.**

B. SMART DEVICES: "Smart Device" means a device that connects to the internet to enable remote use, monitoring, and management of: (i) the Property; (ii) items identified in any Non-Realty Items Addendum; or (iii) items in a Fixture Lease assigned to Buyer. At the time Seller delivers possession of the Property to Buyer, Seller shall:

- (1) deliver to Buyer written information containing all access codes, usernames, passwords, and applications Buyer will need to access, operate, manage, and control the Smart Devices; and
- (2) terminate and remove all access and connections to the improvements and accessories from any of Seller's personal devices including but not limited to phones and computers.

11. SPECIAL PROVISIONS: (This paragraph is intended to be used only for additional informational items. An informational item is a statement that completes a blank in a contract form, discloses factual information, or provides instructions. Real estate brokers and sales agents are prohibited from practicing law and shall not add to, delete, or modify any provision of this contract unless drafted by a party to this contract or a party's attorney.) _____

12. SETTLEMENT AND OTHER EXPENSES:

A. EXPENSES: The following expenses must be paid at or prior to closing:

- (1) Seller shall pay the following expenses (Seller's Expenses):
 - (a) releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; ~~[brokerage fees that Seller has agreed to pay;]~~ and other expenses payable by Seller under this contract;
 - ~~[(b) the following amount to be applied to brokerage fees that Buyer has agreed to pay: \$ _____ or _____ % of the Sales Price (check one box only); and]~~
 - ~~(b)~~ ~~[(c)]~~ an amount not to exceed \$ _____ to be applied to ~~[other]~~ Buyer's Expenses

other than brokerage compensation or contributions under Paragraph 12B below.

(2) Buyer shall pay the following expenses (Buyer's Expenses) Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; ~~brokerage fees that Buyer has agreed to pay;~~ and other expenses payable by Buyer under this contract.

B. BROKERAGE COMPENSATION: Brokerage compensation is not set by law and is fully negotiable. Each party shall pay their respective brokers pursuant to the terms of the parties' obligations to compensate their brokers contained in separate written agreements. The contributions under 12B(1) and 12B(2) below shall be applied to and shall not change the parties' obligations to pay compensation pursuant to those agreements. The following contributions must be paid at closing:

- (1) Seller will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Buyer to Buyer's broker.
- (2) Buyer will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Seller to Seller's broker.

~~[B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.]~~

C. EXPENSE LIMITATION: If a governmental loan program regulation prohibits Buyer from paying charges or fees, then the amount of any concession in 12A(1)(b) shall be first applied to pay such prohibited expenses and then to other Buyer's Expenses but not brokerage compensation or contribution.

13. PRORATIONS AND ROLLBACK TAXES:

- A. PRORATIONS: Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues (including prepaid items) will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year. Rentals which are unknown at time of closing will be prorated between Buyer and Seller when they become known.
- B. ROLLBACK TAXES: If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Assessments are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer, (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract for any other reason, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: A Buyer, Seller, Listing Broker, Other Broker, or Escrow Agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:
A. ESCROW: The Escrow Agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as Escrow Agent. Escrow Agent may require any disbursement made in connection with this contract to be conditioned on Escrow Agent's collection of good funds

- B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, Escrow Agent may: (i) require a written release of liability of the Escrow Agent from all parties before releasing any earnest money; and (ii) require payment of unpaid expenses incurred on behalf of a party. Escrow Agent may deduct authorized expenses from the earnest money payable to a party. "Authorized expenses" means expenses incurred by Escrow Agent on behalf of the party entitled to the earnest money that were authorized by this contract or that party.
 - C. DEMAND: Upon termination of this contract, either party or the Escrow Agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the Escrow Agent. If either party fails to execute the release, either party may make a written demand to the Escrow Agent for the earnest money. If only one party makes written demand for the earnest money, Escrow Agent shall promptly provide a copy of the demand to the other party. If Escrow Agent does not receive written objection to the demand from the other party within 15 days, Escrow Agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and Escrow Agent may pay the same to the creditors. If Escrow Agent complies with the provisions of this paragraph, each party hereby releases Escrow Agent from all adverse claims related to the disbursement of the earnest money.
 - D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the Escrow Agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
 - E. NOTICES: Escrow Agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by Escrow Agent.
- 19. REPRESENTATIONS:** All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.
- 20. GOVERNMENTAL ~~[FEDERAL]~~ REQUIREMENTS:**
- A. If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.
 - B. Seller and Buyer shall promptly execute and deliver any statements, documents, and information requested by Escrow Agent required by governmental reporting requirements (for example, reporting to the U.S. Treasury or its bureaus).
 - C. ~~[B-]~~ The Agriculture Foreign Investment Disclosure Act (AFIDA) of 1978 requires that a foreign person who acquires, disposes of, or holds an interest in United States agricultural land must disclose such transactions and holdings to the Secretary of Agriculture. Foreign persons must file an FSA-153 in the Farm Service Agency (FSA) Service Center where the land is physically located within 90 days of the date of the transaction. Failure to report is subject to civil penalty up to 25 percent of the fair market value of the land on the date the penalty is assessed. Consult an attorney or tax professional.
- 21. NOTICES:** All notices from one party or their agent to the other must be in writing. Notices [and] are effective when mailed to, hand-delivered at, sent by overnight courier to, or transmitted by [fax or] electronic transmission to the other party or their agent. [as follows:]

To Buyer(s) at:
Address: _____

Phone(s) _____

Email(s): _____

To Buyer's agent at:
Address: _____

Phone: _____

Email: _____

To Seller(s) at:
Address: _____

Phone(s): _____

Email(s): _____

To Seller's agent at:
Address: _____

Phone: _____

Email: _____

To Buyer at: _____

To Seller at: _____

Phone: (____) _____

Phone: (____) _____

E-mail/Fax: _____

E-mail/Fax: _____

E-mail/Fax: _____

E-mail/Fax: _____

~~With a copy to Buyer's agent at:~~ _____

~~With a copy to Seller's agent at:~~ _____

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda and notices which are a part of this contract are (check all applicable boxes):

Financial

- Third Party Financing Addendum
- Addendum for Sale of Other Property by Buyer
- Addendum Concerning Right to Terminate Due to Lender's Appraisal
- Seller Financing Addendum
- Addendum for Section 1031 Exchange
- Short Sale Addendum
- Loan Assumption Addendum
- Addendum for Release of Liability on Assumed Loan and/or Restoration of Seller's VA Entitlement

Leases

- Addendum Regarding Residential Leases
- Addendum Regarding Fixture Leases
- Buyer's Temporary Residential Lease
- Seller's Temporary Residential Lease

Additional Tests and Reports

- Addendum for Authorizing Hydrostatic Testing
- Environmental Assessment, Threatened or Endangered Species, and Wetlands Addendum

Statutory Disclosures and Notices

- Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards as Required by Federal Law
- Addendum for Property in a Propane Gas System Service Area
- Addendum for Property Located Seaward of the Gulf Intercoastal Waterway
- Addendum for Coastal Area Property
- The following utility, water, drainage, public improvement, and other district notices (list all that have been given or are attached): _____

NOTICE: Seller's failure to provide applicable Statutory Disclosures and Notices may provide Buyer with remedies or rights to terminate this contract.

Other

- Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- Non-Realty Items Addendum
- Addendum for "Back-Up" Contract
- Addendum for Reservation of Oil, Gas, and Other Minerals
- Other: _____

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- ~~Third Party Financing Addendum~~
- ~~Seller Financing Addendum~~
- ~~Addendum for Property Subject to Mandatory Membership in a Property Owners Association~~
- ~~Buyer's Temporary Residential Lease~~
- ~~Loan Assumption Addendum~~
- ~~Addendum for Sale of Other Property by Buyer~~
- ~~Addendum for "Back-Up" Contract~~
- ~~Addendum for Coastal Area Property~~
- ~~Addendum for Authorizing Hydrostatic Testing~~
- ~~Addendum Concerning Right to Terminate Due to Lender's Appraisal~~
- ~~Addendum for Reservation of Oil, Gas and Other Minerals~~
- ~~Addendum containing Notice of Obligation to Pay Improvement District Assessment~~
- ~~Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum~~
- ~~Seller's Temporary Residential Lease~~
- ~~Short Sale Addendum~~
- ~~Addendum for Property Located Seaward of the Gulf Intracoastal Waterway~~
- ~~Addendum for Seller's Disclosure of Information on Lead-based Paint and Lead-based Paint Hazards as Required by Federal Law~~
- ~~Addendum for Property in a Propane Gas System Service Area~~
- ~~Addendum Regarding Residential Leases~~
- ~~Addendum Regarding Fixture Leases~~
- ~~Addendum for Section 1031 Exchange~~
- ~~Other (list): _____~~

23. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate brokers and sales agents from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's Attorney is: _____	Seller's Attorney is: _____
Phone: () _____	Phone: () _____
Fax: () _____	Fax: () _____
E-mail: _____	E-mail: _____

EXECUTED the _____ day of _____, 20____ (Effective Date).
 (BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

Buyer	Seller
Buyer	Seller



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. ~~25-17~~[25-16]. This form replaces TREC NO. ~~25-16~~[25-15].

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RATIFICATION OF FEE

Seller's broker [~~Listing Broker~~] has agreed to pay Buyer's broker [~~Other Broker~~] of the total Sales Price when Seller's broker's [~~Listing Broker's~~] fee is received. Escrow Agent is authorized and directed to pay Buyer's broker [~~Other Broker~~] from Seller's broker's [~~Listing Broker's~~] fee at closing.
Buyer's broker [~~Other Broker~~]: _____ Seller's broker [~~Listing Broker~~]: _____

By: _____

By: _____

BROKER CONTACT INFORMATION AND AGREEMENT FOR PAYMENT OF BROKERS' FEES

The brokers to this sale are:

(Broker Firm) represents Seller only as Seller's agent.

Address: _____
 Broker Firm License No.: _____
 Associate's Name: _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

(Broker Firm) represents Buyer only as Buyer's agent.

Address: _____
 Broker Firm License No.: _____
 Associate's Name: _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

Intermediary

(Broker Firm) represents Seller and Buyer as an intermediary.

Address: _____
 Broker Firm License No.: _____
 Associate's Name (for Seller): _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

Associate's Name (for Buyer): _____
 Team Name: _____
 Associate's Email: _____
 Associate's Phone No.: _____ Associate's License No.: _____
 Licensed Supervisor of Associate: _____
 Phone No. of Licensed Supervisor: _____ License No.: _____

Other Broker _____ License No. _____ Listing or Principal Broker _____ License No. _____

Associate's Name _____ License No. _____ Listing Associate's Name _____ License No. _____

Team Name _____ Team Name _____

Associate's Email Address _____ Phone _____ Listing Associate's Email Address _____ Phone _____

Licensed Supervisor of Associate _____ License No. _____ Licensed Supervisor of Listing Associate _____ License No. _____

Other Broker's Office Address _____ Phone _____ Listing Broker's Office Address _____ Phone _____

City _____ State _____ Zip _____ City _____ State _____ Zip _____

represents Buyer only as Buyer's agent _____ Selling Associate _____ License No. _____
 Seller as Listing Broker's subagent _____

Team Name _____

Selling Associate's Email Address _____ Phone _____

Licensed Supervisor of Selling Associate _____ License No. _____

Selling Associate's Office Address _____

City _____ State _____ Zip _____

represents Seller only
 Buyer only
 Seller and Buyer as an intermediary

Upon closing of the sale by Seller to Buyer of the Property described in the contract to which this fee agreement is attached: (a) Seller Buyer will pay Seller's broker [~~Listing/Principal Broker~~] a cash fee of \$ _____ or _____% of the total Sales Price; and (b) Seller Buyer will pay Buyer's broker [~~Other Broker~~] a cash fee of \$ _____ or _____% of the total Sales Price. Seller/ Buyer authorizes and directs Escrow Agent to pay the brokers from the proceeds at closing.

DO NOT SIGN IF THERE IS A SEPARATE AGREEMENT FOR PAYMENT OF BROKERS' FEES OR IF CONTRIBUTIONS ARE TO BE PAID UNDER PARAGRAPH 12B(1) OR (2). Brokers' fees are negotiable. Brokers' fees or the sharing of fees between brokers are not fixed, controlled, recommended, suggested or maintained by the Texas Real Estate Commission.

Seller _____ Buyer _____

Seller _____ Buyer _____

OPTION FEE RECEIPT

Receipt of \$ _____ [option fee](#) [~~Option Fee~~] in the form of _____
is acknowledged.

Escrow Agent _____ Date _____

EARNEST MONEY RECEIPT

Receipt of \$ _____ [earnest money](#) [~~Earnest Money~~] in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

CONTRACT RECEIPT

Receipt of the [contract](#) [~~Contract~~] is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional [earnest money](#) [~~Earnest Money~~] in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____



1. PARTIES: The parties to this contract are _____ (Seller) and _____ (Buyer). Seller agrees to sell and convey to Buyer and Buyer agrees to buy from Seller the Property defined below.

2. PROPERTY AND CONDOMINIUM DOCUMENTS:

A. The Condominium Unit, improvements and accessories described below are collectively referred to as the Property (Property).

(1) CONDOMINIUM UNIT: Unit _____, in Building _____ of _____, a condominium project, located at _____ (address/zip code), City of _____, County of _____,

Texas, described in the Condominium Declaration and Plat and any amendments thereto of record in said County; together with such Unit's undivided interest in the Common Elements designated by the Declaration, including those areas reserved as Limited Common Elements appurtenant to the Unit and such other rights to use the Common Elements which have been specifically assigned to the Unit in any other manner. Parking areas assigned to the Unit are: _____

(2) IMPROVEMENTS: All fixtures and improvements attached to the above described real property including without limitation, the following **permanently installed and built-in items**, if any: all equipment and appliances, valances, screens, shutters, awnings, wall-to-wall carpeting, mirrors, ceiling fans, attic fans, mail boxes, television antennas, mounts and brackets for televisions and speakers, heating and air conditioning units, security and fire detection equipment, wiring, plumbing and lighting fixtures, chandeliers, shrubbery, landscaping, outdoor cooking equipment, generators, and all other property attached to the above described Condominium Unit.

(3) ACCESSORIES: The following described related accessories, if any: window air conditioning units, stove, fireplace screens, curtains and rods, blinds, window shades, draperies and rods, door keys, mailbox keys, above ground pool, swimming pool equipment and maintenance accessories, artificial fireplace logs, security systems that are not fixtures, and controls for: (i) garage doors, (ii) entry gates, and (iii) other improvements and accessories. "Controls" includes Seller's transferable rights to the (i) software and applications used to access and control improvements or accessories, and (ii) hardware used solely to control improvements or accessories.

(4) EXCLUSIONS: The following improvements and accessories will be retained by Seller and must be removed prior to delivery of possession: _____

B. The Declaration, Bylaws and any Rules of the Association are called "Documents". (Check one box only):

(1) Buyer has received a copy of the Documents. Buyer is advised to read the Documents before signing the contract.

(2) Buyer has not received a copy of the Documents. Seller, at Seller's expense, shall deliver the Documents to Buyer within _____ days after the Effective Date of the contract. Buyer may terminate the contract within 7 days after Buyer receives the Documents by giving written notice of termination to Seller. If Buyer terminates the contract pursuant to this paragraph, the earnest money will be refunded to Buyer. Buyer retains rights to terminate under Section 82.156, Texas Property Code.

C. The Resale Certificate from the condominium owners association (the Association) is called the "Certificate". The Certificate must be in a form promulgated by TREC or required by the parties. The Certificate must have been prepared, at Seller's expense, no more than 3 months before the date it is delivered to Buyer and must contain at a minimum the information required by Section 82.157, Texas Property Code. (Check one box only):

(1) Buyer has received the Certificate.

(2) Buyer has not received the Certificate. Seller shall deliver the Certificate to Buyer within _____ days after the Effective Date of the contract. Buyer may terminate the contract within 7 days after the date Buyer receives the Certificate by giving written notice of termination to Seller. If Buyer terminates the contract pursuant to this paragraph, the earnest money will be refunded to Buyer. Buyer retains rights to terminate under Section 82.156, Texas Property Code.

(3) Buyer has received Seller's affidavit that Seller requested information from the Association concerning its financial condition as required by the Texas Property Code, and that the Association did not provide a Certificate or information required in the Certificate. Buyer and Seller agree to waive the requirement to furnish the Certificate.

D. If the Documents reveal that the Property is subject to a right of refusal under which the Association or a member of the Association may purchase the Property, the Effective Date shall be amended to the date that Buyer receives a copy of the Association's certification that: (i) Seller has complied with the requirements under the right of refusal; and (ii) all persons who may exercise the right of refusal have not exercised or have waived the right to buy the Property. If Buyer does not receive the Association's certification within _____ days after the Effective Date or if the right of refusal is exercised, this contract shall terminate and the earnest money shall be refunded to Buyer.

3. SALES PRICE:

- A. Cash portion of Sales Price payable by Buyer at closing\$ _____
The term "Cash portion of the Sales Price" does not include proceeds from borrowing of any kind or selling other real property except as disclosed in this contract.
- B. Sum of all financing described in the attached: Third Party Financing Addendum, Loan Assumption Addendum, Seller Financing Addendum\$ _____
- C. Sales Price (Sum of A and B)\$ _____

4. LEASES: Except as disclosed in this contract, Seller is not aware of any leases affecting the Property. After the Effective Date, Seller may not, without Buyer's written consent, create a new lease, amend any existing lease, or convey any interest in the Property. (Check all applicable boxes)

- A. RESIDENTIAL LEASES: The Property is subject to one or more residential leases and the Addendum Regarding Residential Leases is attached to this contract.
- B. FIXTURE LEASES: Fixtures on the Property are subject to one or more fixture leases (for example, solar panels, propane tanks, water softener, security system) and the Addendum Regarding Fixture Leases is attached to this contract.

5. EARNEST MONEY AND TERMINATION OPTION.

A. DELIVERY OF EARNEST MONEY AND OPTION FEE: Within 3 days after the Effective Date, Buyer must deliver to _____ (Escrow Agent) at _____ (address): \$ _____ as earnest money and \$ _____ as the option fee[Option Fee]. The earnest money and option fee[Option Fee] shall be made payable to Escrow Agent and may be paid separately or combined in a single payment.

- (1) Buyer shall deliver additional earnest money of \$ _____ to Escrow Agent within _____ days after the Effective Date of this contract.
- (2) If the last day to deliver the earnest money, option fee[Option Fee], or the additional earnest money falls on a Saturday, Sunday, or Legal Holiday[legal holiday], the time to deliver the earnest money, option fee[Option Fee], or the additional earnest money, as applicable, is extended until the end of the next day that is not a Saturday, Sunday, or Legal Holiday[legal holiday]. "Legal Holiday" means a legal holiday described in Sections 662.003(a) and 662.003(b)(4) and (6), Texas Government Code.
- (3) The amount(s) Escrow Agent receives under this paragraph shall be applied first to the option fee[Option Fee], then to the earnest money, and then to the additional earnest money.
- (4) Buyer authorizes Escrow Agent to release and deliver the option fee[Option Fee] to Seller at any time without further notice to or consent from Buyer, and releases Escrow Agent from liability for delivery of the option fee[Option Fee] to Seller. The option fee[Option Fee] will be credited to the Sales Price at closing.

B. TERMINATION OPTION: For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the option fee[Option Fee] within the time required, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If Buyer gives notice of termination within the time prescribed: (i) the option fee[Option Fee] will not be refunded and Escrow Agent shall release any option fee[Option Fee] remaining with Escrow Agent to Seller; and (ii) any earnest money will be refunded to Buyer.

C. FAILURE TO TIMELY DELIVER EARNEST MONEY: If Buyer fails to deliver the earnest money within the time required, Seller may terminate this contract or exercise Seller's remedies under Paragraph 15, or both, by providing notice to Buyer before Buyer delivers the earnest money.

D. FAILURE TO TIMELY DELIVER OPTION FEE: If no dollar amount is stated as the option fee[Option Fee] or if Buyer fails to deliver the option fee[Option Fee] within the time required, Buyer shall not have the unrestricted right to terminate this contract under this Paragraph 5.

E. TIME: **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**

6. TITLE POLICY:

A. TITLE POLICY: Seller shall furnish to Buyer at Seller's Buyer's expense an owner policy of title insurance (Title Policy) issued by _____ (Title Company) in the amount of the Sales Price, dated at or after closing, insuring Buyer against loss under the provisions of the Title Policy, subject to the promulgated exclusions (including existing building and zoning ordinances) and the following exceptions:

- (1) Restrictive covenants common to the platted subdivision in which the Property is located.
- (2) The standard printed exception for standby fees, taxes and assessments.
- (3) Liens created as part of the financing described in Paragraph 3.
- (4) Terms and provisions of the Documents including the assessments and platted easements.
- (5) Reservations or exceptions otherwise permitted by this contract or as may be approved by Buyer in writing.
- (6) The standard printed exception as to marital rights.
- (7) The standard printed exception as to waters, tidelands, beaches, streams, and related matters.
- (8) The standard printed exception as to discrepancies, conflicts, shortages in area or boundary lines, encroachments or protrusions, or overlapping improvements.

- (9) The exception or exclusion regarding minerals approved by the Texas Department of Insurance.
- B. COMMITMENT: Within 20 days after the Title Company receives a copy of this contract, Seller shall furnish to Buyer a commitment for title insurance (Commitment) and, at Buyer's expense, legible copies of restrictive covenants and documents evidencing exceptions in the Commitment (Exception Documents) other than the standard printed exceptions. Seller authorizes the Title Company to deliver the Commitment and Exception Documents to Buyer at Buyer's address shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.
- C. OBJECTIONS: Buyer may object in writing to defects, exceptions, or encumbrances to title: disclosed in the Commitment other than items 6A(1) through (9) above; or which prohibit the following use or activity: _____

Buyer must object the earlier of (i) the Closing Date or (ii) _____ days after Buyer receives the Commitment and Exception Documents. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived by Buyer. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment or Exception Document(s) is delivered to Buyer.

D. TITLE NOTICES:

- (1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.
- (2) STATUTORY TAX DISTRICTS: If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (3) TIDE WATERS: If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. ~~[An addendum containing the notice promulgated by TREC or required by the parties must be used.]~~
- (4) ANNEXATION: If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (5) PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER: Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (6) PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. ~~[An addendum containing the required notice shall be attached to this contract.]~~
- (7) TRANSFER FEES: If the Property is subject to a private transfer fee obligation, §5.205, Property Code, requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (8) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. ~~[An addendum containing the notice~~

~~approved by TREC or required by the parties should be used.]~~

(9) NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."

(10) CERTIFICATE OF MOLD REMEDIATION: If the Property has been remediated for mold, Seller must provide to Buyer each certificate of mold damage remediation issued under §1958.154, Occupations Code, during the 5 years preceding the sale of the Property.

~~[(11) REQUIRED NOTICES: The following notices have been given or are attached to this contract (for example, utility, water, drainage, and public improvement districts): _____; Seller's failure to provide applicable statutory notices may provide Buyer with remedies or rights to terminate the contract.]~~

7. PROPERTY CONDITION:

A. ACCESS, INSPECTIONS AND UTILITIES: Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Any hydrostatic testing must be separately authorized by Seller in writing. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect .

B. SELLER'S DISCLOSURE NOTICE PURSUANT TO §5.008, TEXAS PROPERTY CODE (Seller's Disclosure Notice):

(Check one box only)

- (1) Buyer has received the Seller's Disclosure Notice.
- (2) Buyer has not received the Seller's Disclosure Notice. Within _____ days after the Effective Date of this contract, Seller shall deliver the Seller's Disclosure Notice to Buyer. If Buyer does not receive the Seller's Disclosure Notice, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the Seller's Disclosure Notice, Buyer may terminate this contract for any reason within 7 days after Buyer receives the Seller's Disclosure Notice or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.

(3) The Texas Property Code does not require this Seller to furnish the Seller's Disclosure Notice.

C. SELLER'S DISCLOSURE OF LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS is required by Federal law for a residential dwelling constructed prior to 1978.

D. ACCEPTANCE OF PROPERTY CONDITION: "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7D (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- (1) Buyer accepts the Property As Is.
- (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections," that do not identify specific repairs and treatments.)

E. LENDER REQUIRED REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, neither party is obligated to pay for lender required repairs, which includes treatment for wood destroying insects. If the parties do not agree to pay for the lender required repairs or treatments, this contract will terminate and the earnest money will be refunded to Buyer. If the cost of lender required repairs and treatments exceeds 5% of the Sales Price, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

F. COMPLETION OF REPAIRS AND TREATMENTS: Unless otherwise agreed in writing, Seller shall complete all agreed repairs and treatments prior to the Closing Date and obtain any required permits. The repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. Seller shall: (i) provide Buyer with copies of documentation from the repair person(s) showing the scope of work and payment for the work completed; and (ii) at Seller's expense, arrange for the transfer of any transferable warranties received with respect to the repairs and treatments to Buyer at closing. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days if necessary for Seller to complete repairs and treatments.

G. ENVIRONMENTAL MATTERS: Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

H. RESIDENTIAL SERVICE CONTRACTS: Buyer may purchase a residential service contract from

a provider or administrator licensed by the Texas Department of Licensing and Regulation. If Buyer purchases a residential service contract, Seller shall reimburse Buyer at closing for the cost of the residential service contract in an amount not exceeding \$_____. Buyer should review any residential service contract for the scope of coverage, exclusions and limitations. **The purchase of a residential service contract is optional. Similar coverage may be purchased from various companies authorized to do business in Texas.**

8. BROKER OR SALES AGENT DISCLOSURE: [BROKERS AND SALES AGENTS:]

~~[A. BROKER OR SALES AGENT DISCLOSURE:]~~ Texas law requires a real estate broker or sales agent who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the broker or sales agent owns more than 10%, or a trust for which the broker or sales agent acts as a trustee or of which the broker or sales agent or the broker or sales agent's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____

~~[B. BROKERS' FEES: All obligations of the parties for payment of brokers' fees are contained in separate written agreements.]~~

9. CLOSING:

A. The closing of the sale will be on or before _____, 20____, or within 7 days after objections to matters disclosed in the Commitment have been cured, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales Price in good funds acceptable to the Escrow Agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents, transfer of any warranties, and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
- (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.
- (5) Private transfer fees (as defined by Chapter 5, Subchapter G of the Texas Property Code) will be the obligation of Seller unless provided otherwise in this contract. This paragraph does not apply to fees assessed by the Association.

10. POSSESSION:

A. BUYER'S POSSESSION: Seller shall deliver to Buyer possession of the Property in its present or required condition, ordinary wear and tear excepted: upon closing and funding according to a temporary residential lease form promulgated by TREC or other written lease required by the parties. Any possession by Buyer prior to closing or by Seller after closing which is not authorized by a written lease will establish a tenancy at sufferance relationship between the parties. **Consult your insurance agent prior to change of ownership and possession because insurance coverage may be limited or terminated. The absence of a written lease or appropriate insurance coverage may expose the parties to economic loss.**

B. SMART DEVICES: "Smart Device" means a device that connects to the internet to enable remote use, monitoring, and management of: (i) the Property; (ii) items identified in any Non-Realty Items Addendum; or (iii) items in a Fixture Lease assigned to Buyer. At the time Seller delivers possession of the Property to Buyer, Seller shall:

- (1) deliver to Buyer written information containing all access codes, usernames, passwords, and applications Buyer will need to access, operate, manage, and control the Smart Devices; and
- (2) terminate and remove all access and connections to the improvements and accessories from any of Seller's personal devices including but not limited to phones and computers.

11. SPECIAL PROVISIONS:

(This paragraph is intended to be used only for additional informational items. An informational item is a statement that completes a blank in a contract form, discloses factual information, or provides instructions. Real estate brokers and sales agents are prohibited from practicing law and shall not add to, delete, or modify any provision of this contract unless drafted by a party to this contract or a party's attorney.) _____

12. SETTLEMENT AND OTHER EXPENSES:

A. **EXPENSES:** The following expenses must be paid at or prior to closing:

- (1) Seller shall pay the following expenses (Seller's Expenses):
 - (a) releases of existing liens, including prepayment penalties and recording fees; lender, FHA, or VA completion requirements; tax statements or certificates; preparation of deed; one-half of escrow fee; ~~[brokerage fees that Seller has agreed to pay;]~~ and other expenses payable by Seller under this contract;

~~[(b) the following amount to be applied to brokerage fees that Buyer has agreed to pay: \$_____ or _____% of the Sales Price (check one box only); and]~~

~~(b) [(c)]~~ an amount not to exceed \$_____ to be applied to ~~[other]~~ Buyer's Expenses other than brokerage compensation or contributions under Paragraph 12B below.

- (2) Buyer shall pay the following expenses (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan

~~04-2024]~~

(Address of Property)

Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; ~~[brokerage fees that Buyer has agreed to pay;]~~ and other expenses payable by Buyer under this contract.

- (3) Buyer shall pay any and all Association fees, deposits, reserves and other charges resulting from the transfer of the Property not to exceed \$ _____ and Seller shall pay any excess. This paragraph does not apply to: (i) regular periodic maintenance fees, assessments, or dues (including prepaid items) that are prorated by Paragraph 13, and (ii) costs and fees provided by Paragraph 2.

B. BROKERAGE COMPENSATION: Brokerage compensation is not set by law and is fully negotiable. Each party shall pay their respective brokers pursuant to the terms of the parties' obligations to compensate their brokers contained in separate written agreements. The contributions under 12B(1) and 12B(2) below shall be applied to and shall not change the parties' obligations to pay compensation pursuant to those agreements. The following contributions must be paid at closing:

- (1) Seller will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Buyer to Buyer's broker.
- (2) Buyer will pay (check one box only): \$ _____ or _____ % of the Sales Price to be applied toward the brokerage compensation owed by Seller to Seller's broker.

~~[B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.]~~

C. EXPENSE LIMITATION: If a governmental loan program regulation prohibits Buyer from paying charges or fees, then the amount of any concession in 12A(1)(b) shall be first applied to pay such prohibited expenses and then to other Buyer's Expenses but not brokerage compensation or contribution.

13. PRORATIONS: Taxes for the current year, interest, rents, and regular periodic maintenance fees, assessments, and dues (including prepaid items) will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year. Cash reserves from regular condominium assessments for deferred maintenance or capital improvements established by the Association will not be credited to Seller. Any special condominium assessment due and unpaid at closing will be the obligation of Seller.

14. CASUALTY LOSS: If any part of the Unit which Seller is solely obligated to maintain and repair under the terms of the Declaration is damaged or destroyed by fire or other casualty, Seller shall restore the same to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer, (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. If any part of the Common Elements or Limited Common Elements appurtenant to the Unit is damaged or destroyed by fire or other casualty loss, Buyer will have 7 days from receipt of notice of such casualty loss within which to notify Seller in writing that the contract will be terminated unless Buyer receives written confirmation from the Association that the damaged condition will be restored to its previous condition within a reasonable time at no cost to Buyer. Unless Buyer gives such notice within such time, Buyer will be deemed to have accepted the Property without confirmation of such restoration. Seller will have 7 days from the date of receipt of Buyer's notice within which to cause to be delivered to Buyer such confirmation. If written confirmation is not delivered to Buyer as required above, Buyer may terminate this contract and the earnest money will be refunded to Buyer. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.

15. DEFAULT: If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract for any other reason, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.

16. MEDIATION: It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

17. ATTORNEY'S FEES: A Buyer, Seller, Listing Broker, Other Broker, or Escrow Agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.

18. ESCROW:

A. ESCROW: The Escrow Agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as Escrow Agent. Escrow Agent may require any disbursement made in connection with this contract to be conditioned on Escrow Agent's collection of good funds acceptable to Escrow Agent.

- B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, Escrow Agent may: (i) require a written release of liability of the Escrow Agent from all parties before releasing any earnest money; and (ii) require payment of unpaid expenses incurred on behalf of a party. Escrow Agent may deduct authorized expenses from the earnest money payable to a party. "Authorized expenses" means expenses incurred by Escrow Agent on behalf of the party entitled to the earnest money that were authorized by this contract or that party.
- C. DEMAND: Upon termination of this contract, either party or the Escrow Agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the Escrow Agent. If either party fails to execute the release, either party may make a written demand to the Escrow Agent for the earnest money. If only one party makes written demand for the earnest money, Escrow Agent shall promptly provide a copy of the demand to the other party. If Escrow Agent does not receive written objection to the demand from the other party within 15 days, Escrow Agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and Escrow Agent may pay the same to the creditors. If Escrow Agent complies with the provisions of this paragraph, each party hereby releases Escrow Agent from all adverse claims related to the disbursement of the earnest money.
- D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the Escrow Agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- E. NOTICES: Escrow Agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by Escrow Agent.

19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

20. GOVERNMENTAL [FEDERAL] REQUIREMENTS:

A. If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

B. Seller and Buyer shall promptly execute and deliver any statements, documents, and information requested by Escrow Agent required by governmental reporting requirements (for example, reporting to the U.S. Treasury or its bureaus).

21. NOTICES: All notices from one party or their agent to the other must be in writing. Notices [and] are effective when mailed to, hand-delivered at, sent by overnight courier to, or transmitted by [fax or] electronic transmission to the other party or their agent. [as follows:]

To Buyer(s) at:

Address: _____

Phone(s) _____

Email(s): _____

To Buyer's agent at:

Address: _____

Phone: _____

Email: _____

To Seller(s) at:

Address: _____

Phone(s): _____

Email(s): _____

To Seller's agent at:

Address: _____

Phone: _____

Email: _____

To Buyer at: _____

Phone: (____) _____

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Buyer's agent at: _____

To Seller at: _____

Phone: (____) _____

E-mail/Fax: _____

E-mail/Fax: _____

With a copy to Seller's agent at: _____

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda and notices which are a part of this contract are (check all applicable boxes):

Financial

- Third Party Financing Addendum
- Addendum for Sale of Other Property by Buyer
- Addendum Concerning Right to Terminate Due to Lender's Appraisal
- Seller Financing Addendum
- Addendum for Section 1031 Exchange
- Short Sale Addendum
- Loan Assumption Addendum
- Addendum for Release of Liability on Assumed Loan and/or Restoration of Seller's VA Entitlement

Leases

- Addendum Regarding Residential Leases
- Addendum Regarding Fixture Leases
- Buyer's Temporary Residential Lease
- Seller's Temporary Residential Lease

Additional Tests and Reports

- Addendum for Authorizing Hydrostatic Testing
- Environmental Assessment, Threatened or Endangered Species, and Wetlands Addendum

Statutory Disclosures and Notices

- Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards as Required by Federal Law
- Addendum for Property in a Propane Gas System Service Area
- Addendum for Property Located Seaward of the Gulf Intercoastal Waterway
- Addendum for Coastal Area Property
- The following utility, water, drainage, public improvement, and other district notices (list all that have been given or are attached): _____

NOTICE: Seller's failure to provide applicable Statutory Disclosures and Notices may provide Buyer with remedies or rights to terminate this contract.

Other

- Non-Realty Items Addendum
- Addendum for "Back-Up" Contract
- Addendum for Reservation of Oil, Gas, and Other Minerals
- Other: _____

- ~~Third-Party Financing Addendum~~
- ~~Loan Assumption Addendum~~
- ~~Buyer's Temporary Residential Lease~~
- ~~Seller's Temporary Residential Lease~~
- ~~Addendum for Sale of Other Property by Buyer~~
- ~~Addendum for "Back-Up" Contract~~
- ~~Seller Financing Addendum~~
- ~~Addendum for Coastal Area Property~~
- ~~Short Sale Addendum~~
- ~~Addendum for Seller's Disclosure of Information on Lead-based Paint and Lead-based Paint Hazards as Required by Federal Law~~
- ~~Addendum for Authorizing Hydrostatic Testing~~
- ~~Addendum Concerning Right to Terminate Due to Lender's Appraisal~~
- ~~Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum~~
- ~~Addendum for Property Located Seaward of the Gulf Intracoastal Waterway~~
- ~~Addendum for Release of Liability on Assumption of FHA, VA, or Conventional Loan Restoration of Seller's Entitlement for VA Guaranteed Loan~~
- ~~Addendum for Property in a Propane Gas System Service Area~~
- ~~Addendum Regarding Residential Leases~~
- ~~Addendum Regarding Fixture Leases~~
- ~~Addendum containing Notice of Obligation to Pay Improvement District Assessment~~
- ~~Addendum for Section 1031 Exchange~~
- ~~Other (list): _____~~

23. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate brokers and sales agents from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's Attorney is: _____

Seller's Attorney is: _____

Phone: () _____

Phone: () _____

Fax: () _____

Fax: () _____

E-mail: _____

E-mail: _____

**EXECUTED the _____ day of _____, 20_____ (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)**

Buyer

Seller

Buyer

Seller



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. ~~30-18~~[30-17]. This form replaces TREC NO. ~~30-17~~[30-16].

BROKER CONTACT INFORMATION
(Print name(s) only. Do not sign)

The brokers to this sale are:

_____ (Broker Firm) **represents Seller only as Seller's agent.**

Address: _____

Broker Firm License No.: _____

Associate's Name: _____

Team Name: _____

Associate's Email: _____

Associate's Phone No.: _____ Associate's License No.: _____

Licensed Supervisor of Associate: _____

Phone No. of Licensed Supervisor: _____ License No.: _____

_____ (Broker Firm) **represents Buyer only as Buyer's agent.**

Address: _____

Broker Firm License No.: _____

Associate's Name: _____

Team Name: _____

Associate's Email: _____

Associate's Phone No.: _____ Associate's License No.: _____

Licensed Supervisor of Associate: _____

Phone No. of Licensed Supervisor: _____ License No.: _____

Intermediary

_____ (Broker Firm) **represents Seller and Buyer as an intermediary.**

Address: _____

Broker Firm License No.: _____

Associate's Name (for Seller): _____

Team Name: _____

Associate's Email: _____

Associate's Phone No.: _____ Associate's License No.: _____

Licensed Supervisor of Associate: _____

Phone No. of Licensed Supervisor: _____ License No.: _____

Associate's Name (for Buyer): _____

Team Name: _____

Associate's Email: _____

Associate's Phone No.: _____ Associate's License No.: _____

Licensed Supervisor of Associate: _____

Phone No. of Licensed Supervisor: _____ License No.: _____

BROKER INFORMATION
(Print name(s) only. Do not sign)

Other Broker Firm _____ License No. _____

represents Buyer only as Buyer's agent
 Seller as Listing Broker's subagent

Associate's Name _____ License No. _____

Team Name _____

Associate's Email Address _____ Phone _____

Licensed Supervisor of Associate _____ License No. _____

Other Broker's Address _____ Phone _____

City _____ State _____ Zip _____

Listing Broker Firm _____ License No. _____

represents Seller and Buyer as an intermediary
 Seller only as Seller's agent

Listing Associate's Name _____ License No. _____

Team Name _____

Listing Associate's Email Address _____ Phone _____

Licensed Supervisor of Listing Associate _____ License No. _____

Listing Broker's Office Address _____ Phone _____

City _____ State _____ Zip _____

Selling Associate's Name _____ License No. _____

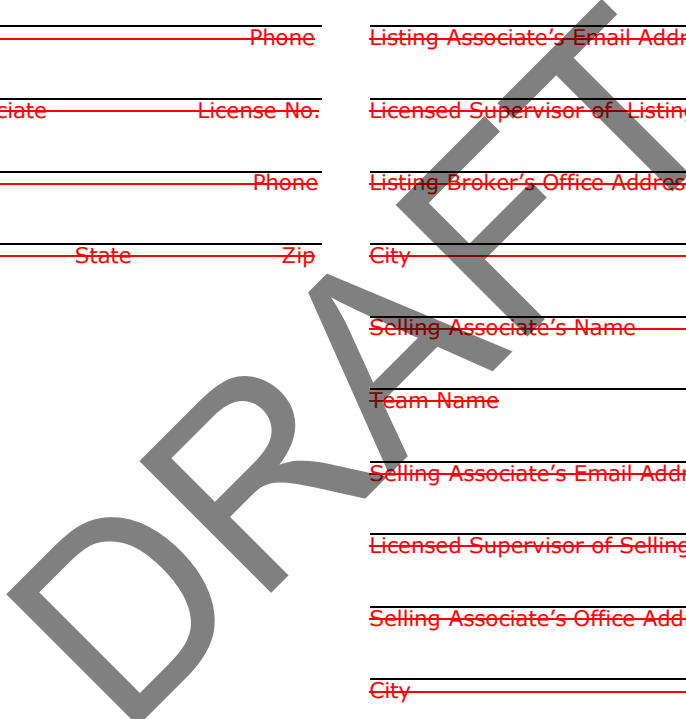
Team Name _____

Selling Associate's Email Address _____ Phone _____

Licensed Supervisor of Selling Associate _____ License No. _____

Selling Associate's Office Address _____

City _____ State _____ Zip _____



[Disclosure: Pursuant to a previous, separate agreement, Listing Broker has agreed to pay Other Broker a fee (\$ _____ or _____% of the Sales Price). This disclosure is for informational purposes and does not change the previous agreement between brokers to pay or share a commission.]

OPTION FEE RECEIPT

Receipt of \$ _____ option fee [~~Option-Fee~~] in the form of _____
is acknowledged.

Escrow Agent _____ Date _____

EARNEST MONEY RECEIPT

Receipt of \$ _____ earnest money [~~Earnest-Money~~] in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

CONTRACT RECEIPT

Receipt of the contract [~~Contract~~] is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____

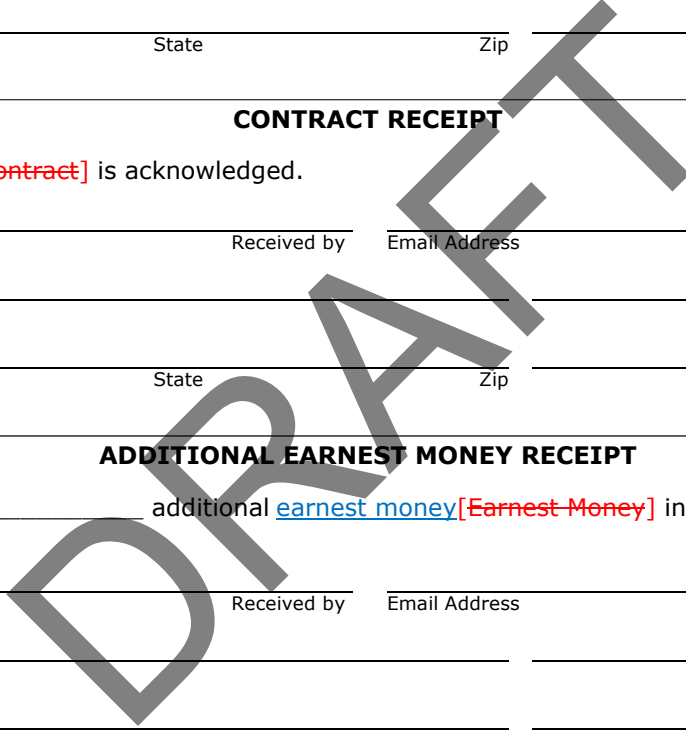
ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional earnest money [~~Earnest-Money~~] in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____

Address _____ Phone _____

City _____ State _____ Zip _____ Fax _____





ADDENDUM FOR PROPERTY SUBJECT TO MANDATORY MEMBERSHIP IN A PROPERTY OWNERS ASSOCIATION (NOT FOR USE WITH CONDOMINIUMS) ADDENDUM TO CONTRACT CONCERNING THE PROPERTY AT

(Street Address and City)

(Name of Property Owners Association, (Association) and Phone Number)

A. SUBDIVISION INFORMATION: "Subdivision Information" means: (i) a current copy of the restrictions applying to the subdivision and bylaws and rules of the Association, and (ii) a resale certificate, all of which are described by Section 207.003 of the Texas Property Code.

(Check only one box):

- 1. Within ___ days after the Effective Date [effective date] of the contract, Seller shall obtain, pay for, and deliver the Subdivision Information to the Buyer. If Seller delivers the Subdivision Information, Buyer may terminate the contract within 3 days after Buyer receives the Subdivision Information or prior to closing, whichever occurs first, and the earnest money will be refunded to Buyer. If Buyer does not receive the Subdivision Information, Buyer, as Buyer's sole remedy, may terminate the contract at any time prior to closing and the earnest money will be refunded to Buyer.
2. Within ___ days after the Effective Date [effective date] of the contract, Buyer shall obtain[, pay for, and deliver a copy of] the Subdivision Information at Buyer's expense. [to the Seller. If] Buyer is deemed to receive [obtains] the Subdivision Information on the date of actual receipt or date specified in this paragraph, whichever is earlier. [within the time required, Buyer may terminate the contract within 3 days after Buyer receives the Subdivision Information or prior to closing, whichever occurs first, and the earnest money will be refunded to Buyer. If Buyer, due to factors beyond Buyer's control, is not able to obtain the Subdivision Information within the time required,] Buyer may[, as Buyer's sole remedy,] terminate the contract within 3 days after Buyer receives the Subdivision Information [the time required] or prior to closing, whichever occurs first, and the earnest money will be refunded to Buyer.
3. Buyer has received and approved the Subdivision Information before signing the contract. Buyer [] does [] does not require an updated resale certificate. If Buyer requires an updated resale certificate, Seller, at Buyer's expense, shall deliver it to Buyer within 10 days after receiving payment for the updated resale certificate from Buyer. Buyer may terminate this contract and the earnest money will be refunded to Buyer if Seller fails to deliver the updated resale certificate within the time required.
4. Buyer does not require delivery of the Subdivision Information.

The title company or its agent is authorized to act on behalf of the parties to obtain the Subdivision Information ONLY upon receipt of the required fee for the Subdivision Information from the party obligated to pay.

B. MATERIAL CHANGES. If Seller becomes aware of any material changes in the Subdivision Information, Seller shall promptly give notice to Buyer. Buyer may terminate the contract prior to closing by giving written notice to Seller if: (i) any of the Subdivision Information provided was not true; or (ii) any material adverse change in the Subdivision Information occurs prior to closing, and the earnest money will be refunded to Buyer.

C. FEES AND DEPOSITS FOR RESERVES: Buyer shall pay any and all Association fees, deposits, reserves, and other charges associated with the transfer of the Property not to exceed \$_____ and Seller shall pay any excess. This paragraph does not apply to: (i) regular periodic maintenance fees, assessments, or dues (including prepaid items) that are prorated by Paragraph 13, and (ii) costs and fees provided by Paragraphs A and D. If this paragraph conflicts with any allocation of charges in the Subdivision Information, this paragraph will control.

D. AUTHORIZATION: Seller authorizes the Association to release and provide the Subdivision Information and any updated resale certificate if requested by the Buyer, the Title Company, or any broker to this sale. If Buyer does not require the Subdivision Information or an updated resale certificate, and the Title Company requires information from the Association (such as the status of dues, special assessments, violations of covenants and restrictions, and a waiver of any right of first refusal), [] Buyer [] Seller shall pay the Title Company the cost of obtaining the information prior to the Title Company ordering the information.

NOTICE TO BUYER REGARDING REPAIRS BY THE ASSOCIATION: The Association may have the sole responsibility to make certain repairs to the Property. If you are concerned about the condition of any part of the Property which the Association is required to repair, you should not sign the contract unless you are satisfied that the Association will make the desired repairs.

Buyer

Seller

Buyer

Seller



The form of this addendum has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated forms of contracts. Such approval relates to this contract form only. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (www.trec.texas.gov) TREC No. 36-11[10]. This form replaces TREC No. 36-10[9].



AMENDMENT TO CONTRACT CONCERNING THE PROPERTY AT

(Street Address and City)

Seller and Buyer amend the contract as follows: (check each applicable box)

- (1) The Sales Price in Paragraph 3 of the contract is:
A. Cash portion of Sales Price payable by Buyer at closing
B. Sum of financing described in the contract
C. Sales Price (Sum of A and B)
(2) In addition to any repairs and treatments otherwise required by the contract, Seller, at Seller's expense, shall complete the following repairs and treatments:
(3) The date in Paragraph 9 of the contract is changed to
(4) The amount in Paragraph 12A(1)(b) of the contract is changed to
(5) The amounts in Paragraph 12B of the contract are changed as follows
(6) The cost of lender required repairs and treatment, as itemized on the attached list, will be paid as follows
(7) Buyer has paid Seller an additional option fee of \$
(8) Buyer waives the unrestricted right to terminate the contract for which the option fee was paid.
(9) The date for Buyer to give written notice to Seller that Buyer cannot obtain Buyer Approval as set forth in the Third Party Financing Addendum is changed to
(10) Other Modifications: (Real estate brokers and sales agents are prohibited from practicing law.)

CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate brokers and sales agents from giving legal advice. READ THIS FORM CAREFULLY.

EXECUTED the day of , 20 . (BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)

Buyer

Seller

Buyer

Seller



This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (http://www.trec.texas.gov) TREC No. 39-11. This form replaces TREC No. 39-10.



APPROVED BY THE TEXAS REAL ESTATE COMMISSION (TREC)



SELLER'S DISCLOSURE NOTICE

CONCERNING THE PROPERTY AT _____
(Street Address and City)

THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE OF THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED BY SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PURCHASER MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER OR SELLER'S AGENTS.

Seller is is not occupying the Property. If unoccupied, how long since Seller has occupied the Property? _____

1. The Property has the items checked below [Write Yes (Y), No (N), or Unknown (U)]:

- Range
 - Dishwasher
 - Washer/Dryer Hookups
 - Security System
 - TV Antenna
 - Ceiling Fan(s)
 - Central A/C
 - Plumbing System
 - Patio/Decking
 - Pool
 - Pool Equipment
 - Fireplace(s) & Chimney (Wood burning)
 - Natural Gas Lines
 - Oven
 - Trash Compactor
 - Window Screens
 - Fire Detection Equipment
 - Smoke Detector
 - Smoke Detector-Hearing Impaired
 - Carbon Monoxide Alarm
 - Emergency Escape Ladder(s)
 - Cable TV Wiring
 - Attic Fan(s)
 - Central Heating
 - Septic System
 - Outdoor Grill
 - Sauna
 - Pool Heater
 - Microwave
 - Disposal
 - Rain Gutters
 - Intercom System
 - Satellite Dish
 - Exhaust Fan(s)
 - Wall/Window Air Conditioning
 - Public Sewer System
 - Fences
 - Spa Hot Tub
 - Automatic Lawn Sprinkler System
 - Fireplace(s) & Chimney (Mock)
 - Gas Fixtures
- Liquid Propane Gas: LP Community (Captive) LP on Property
- Fuel Gas Piping: Black Iron Pipe Corrugated Stainless Steel Tubing Copper
- Garage: Attached Not Attached Carport
- Garage Door Opener(s): Electronic Control(s)
- Water Heater: Gas Electric
- Water Supply: City Well MUD Co-op

Roof Type: _____ Age: _____ (approx.)

Are you (Seller) aware of any of the above items that are not in working condition, that have known defects, or that are in need of repair? Yes No Unknown. If yes, then describe. (Attach additional sheets if necessary): _____

2. Does the property have working smoke detectors installed in accordance with the smoke detector requirements of Chapter 766, Health and Safety Code?* Yes No Unknown. If the answer to this question is no or unknown, explain (Attach additional sheets if necessary): _____

* Chapter 766 of the Health and Safety Code requires one-family or two-family dwellings to have working smoke detectors installed in accordance with the requirements of the building code in effect in the area in which the dwelling is located, including performance, location, and power source requirements. If you do not know the building code requirements in effect in your area, you may check unknown above or contact your local building official for more information. A buyer may require a seller to install smoke detectors for the hearing impaired if: (1) the buyer or a member of the buyer's family who will reside in the dwelling is hearing impaired; (2) the buyer gives the seller written evidence of the hearing impairment from a licensed physician; and (3) within 10 days after the effective date, the buyer makes a written request for the seller to install smoke detectors for the hearing impaired and specifies the locations for the installation. The parties may agree who will bear the cost of installing the smoke detectors and which brand of smoke detectors to install.

3. Are you (Seller) aware of any known defects/malfunctions in any of the following? Write Yes (Y) if you are aware, write No (N) if you are not aware.

- | | | |
|---|--------------------------|-------------------------|
| _____ Interior Walls | _____ Ceilings | _____ Floors |
| _____ Exterior Walls | _____ Doors | _____ Windows |
| _____ Roof | _____ Foundation/Slab(s) | _____ Sidewalks |
| _____ Walls/Fences | _____ Driveways | _____ Intercom System |
| _____ Plumbing/Sewers/Septics | _____ Electrical Systems | _____ Lighting Fixtures |
| _____ Other Structural Components (Describe): _____

_____ | | |

If the answer to any of the above is yes, explain. (Attach additional sheets if necessary): _____

4. Are you (Seller) aware of any of the following conditions? Write Yes (Y) if you are aware, write No (N) if you are not aware.

- | | |
|--|---|
| _____ Active Termites (includes wood destroying insects) | _____ Previous Structural or Roof Repair |
| _____ Termite or Wood Rot Damage Needing Repair | _____ Hazardous or Toxic Waste |
| _____ Previous Termite Damage | _____ Asbestos Components |
| _____ Previous Termite Treatment | _____ Urea-formaldehyde Insulation |
| _____ Improper Drainage | _____ Radon Gas |
| _____ Water Damage Not Due to a Flood Event | _____ Lead Based Paint |
| _____ Landfill, Settling, Soil Movement, Fault Lines | _____ Aluminum Wiring |
| _____ Single Blockable Main Drain in Pool/Hot Tub/Spa* | _____ Previous Fires |
| | _____ Unplatted Easements |
| | _____ Subsurface Structure or Pits |
| | _____ Previous Use of Premises for Manufacture of Methamphetamine |

If the answer to any of the above is yes, explain. (Attach additional sheets if necessary): _____

* A single blockable main drain may cause a suction entrapment hazard for an individual.

5. Are you (Seller) aware of any item, equipment, or system in or on the Property that is in need of repair? Yes (if you are aware) No (if you are not aware). If yes, explain (attach additional sheets if necessary). _____

6. Are you (Seller) aware of any of the following conditions?* Write Yes (Y) if you are aware, write No (N) if you are not aware.
____ Present flood insurance coverage
____ Previous flooding due to a failure or breach of a reservoir or a controlled or emergency release of water from a reservoir
____ Previous water penetration into a structure on the property due to a natural flood event

Write Yes (Y) if you are aware, and check wholly or partly as applicable, write No (N) if you are not aware.

- ____ Located wholly partly in a 100-year floodplain (Special Flood Hazard Area-Zone A, V, A99, AE, AO, AH, VE, or AR)
- ____ Located wholly partly in a 500-year floodplain (Moderate Flood Hazard Area-Zone X (shaded))
- ____ Located wholly partly in a floodway
- ____ Located wholly partly in a flood pool
- ____ Located wholly partly in a reservoir

If the answer to any of the above is yes, explain (attach additional sheets if necessary): _____

*For purposes of this notice:

"100-year floodplain" means any area of land that:

- (A) is identified on the flood insurance rate map as a special flood hazard area, which is designated as Zone A, V, A99, AE, AO, AH, VE, or AR on the map;
- (B) has a one percent annual chance of flooding, which is considered to be a high risk of flooding; and
- (C) may include a regulatory floodway, flood pool, or reservoir.

"500-year floodplain" means any area of land that:

- (A) is identified on the flood insurance rate map as a moderate flood hazard area, which is designated on the map as Zone X (shaded); and
- (B) has a two-tenths of one percent annual chance of flooding, which is considered to be a moderate risk of flooding.

"Flood pool" means the area adjacent to a reservoir that lies above the normal maximum operating level of the reservoir and that is subject to controlled inundation under the management of the United States Army Corps of Engineers.

"Flood insurance rate map" means the most recent flood hazard map published by the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. Section 4001 et seq.).

"Floodway" means an area that is identified on the flood insurance rate map as a regulatory floodway, which includes the channel of a river or other watercourse and the adjacent land areas that must be reserved for the discharge of a base flood, also referred to as a 100-year flood, without cumulatively increasing the water surface elevation of more than a designated height.

"Reservoir" means a water impoundment project operated by the United States Army Corps of Engineers that is intended to retain water or delay the runoff of water in a designated surface area of land.

7. Have you (Seller) ever filed a claim for flood damage to the property with any insurance provider, including the National Flood Insurance Program (NFIP)?* Yes No. If yes, explain (attach additional sheets as necessary): _____

*Homes in high risk flood zones with mortgages from federally regulated or insured lenders are required to have flood insurance. Even when not required, the Federal Emergency Management Agency (FEMA) encourages homeowners in high risk, moderate risk, and low risk flood zones to purchase flood insurance that covers the structure(s) and the personal property within the structure(s).

8. Have you (Seller) ever received assistance from FEMA or the U.S. Small Business Administration (SBA) for flood damage to the property? Yes No. If yes, explain (attach additional sheets as necessary): _____

9. Are you (Seller) aware of any of the following? Write Yes (Y) if you are aware, write No (N) if you are not aware.

_____ Room additions, structural modifications, or other alterations or repairs made without necessary permits or not in compliance with building codes in effect at that time.

_____ Homeowners' Association or maintenance fees or assessments.

_____ Any "common area" (facilities such as pools, tennis courts, walkways, or other areas) co-owned in undivided interest with others.

_____ Any notices of violations of deed restrictions or governmental ordinances affecting the condition or use of the Property.

_____ Any lawsuits directly or indirectly affecting the Property.

_____ Any condition on the Property which materially affects the physical health or safety of an individual.

_____ Any rainwater harvesting system located on the property that is larger than 500 gallons and that uses a public water supply as an auxiliary water source.

_____ Any portion of the property that is located in a groundwater conservation district or a subsidence district.

_____ Any conservation easements located on the Property.
"Conservation easement" means an easement (permanent or for a period of years) on the property that restricts the use of all or a part of the property to protect natural resources, wildlife habitat, open space, or historical sites.
The Property is presently covered by insurance.

_____ The Property is presently covered by windstorm insurance.

_____ Seller has been unable to insure the Property for any reason.

_____ A private road on or adjoining the Property for which Seller is financially responsible for maintaining.
Any aboveground or underground storage tanks on the Property. (If yes, see 30 Texas Administrative Code Chapter 334 for additional disclosure requirements.)

_____ Any aboveground storage tanks on the Property that hold 500 gallons or more and have stored petroleum products or other chemicals.

If the answer to any of the above is yes, explain. (Attach additional sheets if necessary): _____

10. If the property is located in a coastal area that is seaward of the Gulf Intracoastal Waterway or within 1,000 feet of the mean high tide bordering the Gulf of Mexico, the property may be subject to the Open Beaches Act or the Dune Protection Act (Chapter 61 or 63, Natural Resources Code, respectively) and a beachfront construction certificate or dune protection permit maybe required for repairs or improvements. Contact the local government with ordinance authority over construction adjacent to public beaches for more information.

11. This property may be located near a military installation and may be affected by high noise or air installation compatible use zones or other operations. Information relating to high noise and compatible use zones is available in the most recent Air Installation Compatible Use Zone Study or Joint Land Use Study prepared for a military installation and may be accessed on the Internet website of the military installation and of the county and any municipality in which the military installation is located.

Signature of Seller _____ Date _____ Signature of Seller _____ Date _____

The undersigned purchaser hereby acknowledges receipt of the foregoing notice.

Signature of Purchaser _____ Date _____ Signature of Purchaser _____ Date _____





ADDENDUM FOR SELLER'S DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS AS REQUIRED BY FEDERAL LAW



CONCERNING THE PROPERTY AT _____ (Street Address and City)

A. LEAD WARNING STATEMENT: "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-paint hazards is recommended prior to purchase."

NOTICE: Inspector must be properly certified as required by federal law.

B. SELLER'S DISCLOSURE:

- 1. PRESENCE OF LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS (check one box only):
 - (a) Known lead-based paint and/or lead-based paint hazards are present in the Property (explain): _____
 - (b) Seller has no actual knowledge of lead-based paint and/or lead-based paint hazards in the Property.
- 2. RECORDS AND REPORTS AVAILABLE TO SELLER (check one box only):
 - (a) Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the Property (list documents): _____
 - (b) Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the Property.

C. BUYER'S RIGHTS (check one box only):

- 1. Buyer waives the opportunity to conduct a risk assessment or inspection of the Property for the presence of lead-based paint or lead-based paint hazards.
- 2. Within ten days after the effective date of this contract, Buyer may have the Property inspected by inspectors selected by Buyer. If lead-based paint or lead-based paint hazards are present, Buyer may terminate this contract by giving Seller written notice within 14 days after the effective date of this contract, and the earnest money will be refunded to Buyer.

D. BUYER'S ACKNOWLEDGMENT (check applicable boxes):

- 1. Buyer has received copies of all information listed above.
- 2. Buyer has received the pamphlet *Protect Your Family from Lead in Your Home*.

E. BROKERS' ACKNOWLEDGMENT: Brokers have informed Seller of Seller's obligations under 42 U.S.C. 4852d to: (a) provide Buyer with the federally approved pamphlet on lead poisoning prevention; (b) complete this addendum; (c) disclose any known lead-based paint and/or lead-based paint hazards in the Property; (d) deliver all records and reports to Buyer pertaining to lead-based paint and/or lead-based paint hazards in the Property; (e) provide Buyer a period of up to 10 days to have the Property inspected; and (f) retain a completed copy of this addendum for at least 3 years following the sale. Brokers are aware of their responsibility to ensure compliance.

F. CERTIFICATION OF ACCURACY: The following persons have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

_____ Buyer	_____ Date	_____ Seller	_____ Date
_____ Buyer	_____ Date	_____ Seller	_____ Date
_____ Buyer's [Other] Broker	_____ Date	_____ Seller's [Listing] Broker	_____ Date



The form of this addendum has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated forms of contracts. Such approval relates to this contract form only. TREC forms are intended for use only by trained real estate license holders [licensees]. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not suitable for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (http://www.trec.texas.gov)



SELLER'S DISCLOSURE ABOUT GROUNDWATER AND SURFACE WATER RIGHTS



THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE ABOUT GROUNDWATER AND SURFACE WATER RIGHTS ON THE PROPERTY AS OF THE DATE SIGNED BY SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE BUYER MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER OR SELLER'S AGENTS.

CONCERNING THE PROPERTY AT: _____
(Street Address and City)

1. Definitions. For the purposes of this form the following definitions, with notes, apply.

- A. **"Groundwater"** means water percolating below the surface of the earth. Groundwater is usually found in subsurface reservoirs or aquifers and is accessed by Water Wells.
 [Note: Unless severed from the surface estate, Groundwater is owned by the surface landowner who may be able to access the Groundwater by drilling a Water Well in compliance with the law and rules of the applicable Groundwater District, if any.]
- B. **"Groundwater District"** means a local or regional Groundwater Conservation District, Underground Water Conservation District, Subsidence District, or other special district or authority that regulates the drilling or operation of Water Wells.
 [Note: Not all land in Texas is subject to a Groundwater District.]
- C. **"Surface Water"** means water in lakes, rivers, creeks, streams, and in the bays, estuaries, and arms of the Gulf of Mexico.
- D. **"Surface Water Rights"** means a permit, certified filing, or certificate of adjudication administered by the Texas Commission on Environmental Quality (TCEQ) that authorizes the diversion, impoundment, or use of Surface Water.
 [Note: Not all diversions, impoundments, or uses of Surface Water require a Surface Water Right.]
- E. **"Water Well"** means an artificial excavation that is drilled or dug for the purpose of exploring for or producing Groundwater.
 [Note: The drilling and operation of a Water Well may be regulated, restricted, or prohibited in a Groundwater District. Subdividing a property may impact rights related to drilling or operating a Water Well. A Water Well may be owned and operated by individuals, groups, cooperatives, associations, or other entities.]

2. Information Related to Groundwater and Water Wells. [Attach additional sheets as necessary.]

- A. Is any portion of the Property located in a Groundwater District? Yes No Unknown
 If yes, identify the district and its website: _____
- B. Is Seller aware of one or more Water Wells on the Property? Yes No
 If yes:
 - (1) The total number of Water Wells known to Seller is _____
 - (2) The number of Water Wells known to Seller that are currently in use is _____
 - (3) The number of Water Wells known to Seller that are not currently in use and have been capped, covered, plugged, or abandoned is _____
 - (4) Identify any registrations or permits (by number) from a Groundwater District for the Water Wells on the Property: _____
- C. If the answer to 2B is yes, complete the following to the extent known.
 - (1) All Water Wells on the Property are owned or operated solely by Seller for the sole benefit of the Property.
 - (2) The following Water Wells: (i) are owned or operated by the person identified; (ii) benefit the identified beneficiary; and (iii) are governed by the identified agreements or understandings (attach additional sheets for each Water Well):
 Water Well: _____
 Owners/Operators: _____
 Beneficiary: _____
 Agreement or Understanding: _____

(Address of Property)

D. Is Seller aware whether the Property receives water from a Water Well located on another property (not including water from a city, municipal utility district or other special district, water supply corporation, or private water company)? Yes No If yes, describe the Water Well and identify any agreements or understandings governing access to the water: _____

E. Is Seller aware whether a Water Well on the Property relies in whole or in part on Groundwater rights owned or leased from land outside the boundaries of the Property? Yes No If yes, describe the Groundwater rights owned or leased: _____

F. Is Seller aware whether any of the Groundwater rights to the Property have been severed, sold, or leased in whole or in part with or without the right to drill or operate a Water Well on the Property? Yes No If yes, describe the Groundwater rights severed, sold, or leased: _____

3. Information Related to Surface Water. [Attach additional sheets as necessary.]

A. Does Seller own any Surface Water Right associated with the Property Yes No

If yes:

(1) Identify the applicable Surface Water Right by its permit, filing, or certification of adjudication number: _____

(2) If more than one person owns an interest in any Surface Water Right identified in 3A(1), identify each person and their respective ownership interest: _____

B. Is there a pond, lake, or water tank on the Property, whether currently with or without water?

Yes No

Notices to Buyer and Seller:

- (1) Statutes, rules, regulations, and court rulings concerning Groundwater, Water Wells, Groundwater rights, surface water, and Surface Water Rights (collectively, **Water Rights**) are multifaceted and may be complex.
- (2) The Seller may not have complete knowledge or understanding of the Water Rights related to or affecting the Property.
- (3) Water Rights that relate to the Property may be held by others. To determine the extent and application of Water Rights related to Property, consult an attorney who can examine the title to the Property and issues regarding Water Rights.
- (4) Rules and regulations of Groundwater Districts regarding Water Wells differ from district to district and should be reviewed if the Property has an existing or potential future Water Well. Some Groundwater Districts have ad valorem taxing authority and others do not. Consult the local Appraisal District for applicable taxes and tax rates.
- (5) If the parties need or intend to reserve, specifically except, or separately convey Water Rights related to the Property, each party should consult an attorney before signing a binding contract to purchase or sell the Property.

Seller Date

Seller Date

Buyer Date

Buyer Date



This form has been approved by the Texas Real Estate Commission for use with similarly approved or promulgated contract forms. Such approval relates to this form only. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC No. 61-0.



SELLER'S NOTICE TO BUYER OF REMOVAL OF CONTINGENCY UNDER ADDENDUM FOR "BACK-UP" CONTRACT



CONCERNING THE CONTRACT FOR THE SALE OF THE PROPERTY AT

(Street Address and City)

BETWEEN THE UNDERSIGNED SELLER AND _____(BUYER)

In accordance with Paragraph H of the Addendum for "Back-Up" Contract, Seller notifies Buyer that:

- (1) the First Contract is terminated;
- (2) the Back-Up Contract with Buyer is no longer subject to the contingency described in Paragraph G of the Addendum for "Back-Up" Contract; and
- (3) the Amended Effective Date of the Back-Up Contract is _____ (insert date when the notice is delivered in accordance with Paragraph 21 of the contract).

Seller

Date

Seller

Date

ADDITIONAL OPTION FEE RECEIPT

Receipt of \$ _____ additional option fee in the form of _____
is acknowledged.

Escrow Agent

Date

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional earnest money in the form of _____
is acknowledged.

Escrow Agent

Date



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First Name	Last Name	Rule Number	Form Name	Comment
Barbara	Colvin	22 TAC §537.20	Standard Contract Form TREC No. 9-17, Unimproved Property Contract	I like the changes to Paragraph 12 A & B., 21, 22 and page 10.
Danielle	Tucker Shepard	22 TAC §537.20	Standard Contract Form TREC No. 9-17, Unimproved Property Contract	<p>7E - although not a current change consideration this should be addressed: by not having a separate seller's disclosure for these properties, having seller provided information in the contract automatically creates a counter of EVERY contract. This is not in the best interest of the public. If you require information to be disclosed, then just as the 1-4 you should have a separate disclosure with the information that would become a party to the contract.</p> <p>7F - Sellers do not have information about Water Conservation Districts, especially those whose districts are not taxing authorities, i.e., Saratoga GWCD which encompasses all of Lampasas County. Additionally, Sellers with unregistered wells do not want to disclose that information.</p> <p>12B Compensation - 1 and 2 for reflecting buyer and seller provided compensation. The requirement to choose only one box of flat fee or % is erroneously done and creates confusion on the part of all. For example, when a seller is providing 2% Buyer Broker Compensation but ALSO providing a \$1000 agent bonus. This happens a lot while the market is tough. Additionally, builders use this strategy as well to pay compensation. Having only one box option does not adequately reflect the compensation package being offered from other parties. The same thing has happened on the buyer side where the buyer is paying the compensation to their broker based on the buyer representation agreement, but because the transaction happened so smoothly, the buyer wanted to "tip" the agent with a flat fee as well as the percent. Both of these scenarios have happened in 2026 for agents in my brokerage.</p> <p>21 - 2 lines are needed for phone numbers. If you are providing 2 lines for emails, 2 lines are needed for phone numbers. However, for the notice to the agent. Providing the information for the agent in 21 and again on page 10 is redundant. The only information that needs to be provided in section 21 is the name of the agent who needs to be notified and a note to see page 10 for the contact information. OR this section should stay the way it currently is with agent email only.</p>
Marcus	Phipps	22 TAC §537.20	Standard Contract Form TREC No. 9-17, Unimproved Property Contract	Paragraph 12.B needs improvement. The best way to achieve clarity is to copy the compensation paragraph from the Texas REALTORS Commercial Contract. It allows for buyer and/or seller to pay the listing and/or buyer broker. It's clear and concise. This method and the one you have currently in paragraph 12 A is very confusing to consumers AND to title agents. Get it all into the contract and out in the open.

Jaimie	Harvey	22 TAC §537.20	Standard Contract Form TREC No. 9-17, Unimproved Property Contract	<p>The realtor commission section is still unclear there is a place where buyers and sellers pay their own brokerage however then in the section it talks about closing cost assistance I'm assuming you could add additional concessions there if the seller is paying the commission in full however it goes on to say if this is illegal in your state then those will not apply to the things that are prohibited.</p> <p>I just don't think separating the fees out like this is understandable to a seller who wants to sell their home they only want to pay part of the commission and if a buyer doesn't have the cash to bring to the table then a buyer is out on that property or possibly all properties because this will affect how they can purchase real estate. It truly ties a listing agents hands when marketing a property only to turn down potential buyers that would normally be able to make this purchase but now they can't because of the extra cash to close they will need.</p> <p>Ultimately the buyer pays for all the fees because they are purchasing the home the problem is with these rules yall are making it not financeable in with the purchase it truly is extra cash to close.</p> <p>This rule isn't protecting the buyer or the seller it is making it more difficult to sell their properties in a market that already has enough challenges with the high interest rates.</p> <p>Also you have taken away all transparency any listing agent can say no we are not paying a commission and we are supposed to take their word for it?</p> <p>Or they can change it if for some reason they decide you deserve less. There is zero checks and balances for this.</p> <p>I had a agent negotiate her commission along with mine she clearly was at 2% commission and when me and my client asked for 3% she came back with ok it will be 3% for both agents.</p> <p>That was prohibited from what I understood in the first ruling however there is zero checks and balances for this kind of behavior.</p>
Vicky	French	22 TAC §537.20	Standard Contract Form TREC No. 9-17, Unimproved Property Contract	<p>Paragraphs #7F regarding the Groundwater is very confusing and not a fan of #12B(2) have never ever that a Buyer want to but the Listing Agent, hope agents read.</p>
Bart	Stockton	22 TAC §537.22	Standard Contract Form TREC No. 11-8, Addendum for "Back-Up"; Contract	<p>In Para. H, I wonder if license holders will try to develop a different understanding of Seller "delivering" notice vs. Seller "giving" notice. Might be better to simply write "...the date Seller notifies Buyer that the First Contract has terminated". I do agree that "Buyer receives" should be replaced as it causes some misunderstandings from time to time.</p>
James	Tomberlin	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>I am not in favor of the addition of paragraph 12.B.(2) into the contract. As a broker of record, it has been extremely challenging over the last 2 years to keep my agents abreast of the many changes around compensation. While I believe the changes have generally moved in the right direction - particularly in adding broker compensation to the contract in paragraph 12 - this latest addition of allowing the buyer to pay the seller's broker's fees is too confusing. It is something that is not a widespread industry practice, and I believe it will only serve to needlessly complicate the work of agents whose heads are already spinning from the rapid changes around compensation in our industry. In order to minimize further disruption and upheaval, I respectfully ask that paragraph 12.B.(2) NOT be included in the changes to the residential contract forms.</p>

Ivy	Boland	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	Para 12 B is adding more confusion. why would an agent include the buyer agreement to pay compensation to the agent
Dave	Covington	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>My primary concern with the 1-4 Family Contract revisions has to do with paragraph 7(I)(3)(d). In our market (Bell County), every property in the entire county falls within the Clearwater Underground Water Conservation District (CUWCD). That means that, whether a property is urban or rural, every owner's groundwater rights are regulated. A property owner cannot legally dig a well without a permit from the CUWCD.</p> <p>Paragraph 7(I)(3)(d) asks whether or not the seller is aware that any groundwater rights to the property have been severed. It's unclear to me whether simply owning property in the CUWCD constitutes a severance of groundwater rights. If it does, then every single property in Bell County will be required to provide form 61-0 (which is quite daunting), even if the property is urban or suburban and groundwater rights aren't a concern.</p>
Kim	Sherman	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>Regarding water rights, I think it's too complicated. You've put a lot of work on the seller's back to research water rights. How about simplifying it by providing a notice in the contract such that if a buyer is concerned about water rights, it is up to the buyer to research those water rights and provide where they can research the water rights? And make it clear the buyer needs to do their research during the option period.</p> <p>Regarding broker compensation, I think you've made it much more confusing. I like the idea of moving away from listing brokers "sharing" the compensation and just make it negotiable in the contract if the seller will pay the buyer agent compensation and if so, how much. This is how all of my listing agreements are drafted now. I have the seller paying my compensation and then the buyer agent compensation is fully negotiated in the contract. Why do we need to have language for the buyer to pay the listing broker's compensation? It's just a part of the seller's closing costs and I've never had a seller confused about needing to pay my compensation out of the proceeds of the sale. It makes it way too complicated for agents to understand and explain to their clients to have this language in the contract.</p>
Julie	Mattoon	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	The 12B is still confusing to the consumer on commissions. I know you think it makes sense, and explaining it is difficult. Why not mirror the commercial purchase contract on commissions? It is WAY better.

Kandice	Lauderdale	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	The combination of generators and software is a set up for fraudulent crypto transactions, i.e. 3D Generators....we are not in the business of selling software, nor do we do any intellectual property rights training to authorize software to be sold, via patents, licensing etc. If buyers or sellers need clarification of what is going to be conveyed then that is what the non realty items addendum is for. If it is not conveyed then the exclusions section is already provided in the contract. Existing in the contract already paragraph 2C- "Controls" includes Seller's transferable rights to the (i) software and applications used to access and control improvements or accessories, and (ii) hardware used solely to control improvements or accessories. Please research AI 3D model generator is a tool. It uses artificial intelligence to create 3D models automatically from simple inputs - like text, images, or code.
Marcus	Phipps	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	Paragraph 12.B needs improvement. The best way to achieve clarity is to copy the compensation paragraph from the Texas REALTORS Commercial Contract. It allows for buyer and/or seller to pay the listing and/or buyer broker. It's clear and concise. This method and the one you have currently in paragraph 12 A is very confusing to consumers AND to title agents. Get it all into the contract and out in the open.
Holly	Fitzgerald	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	Good job, no complaints!

Jeffery	Williams	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>You need to remove 12.B(2) on the 1-4 and other contracts where that new language has been added. That item commits the Buyer to pay something to the Seller's broker. I've been doing this for 11 years in commercial and my wife for a few years longer than me in residential. We have never seen a Buyer pay the Seller's agent. I know that (2) was added to be the mirror of (1), but it is unnecessary as that situation almost never happens. What's more, I guarantee that a lawsuit will be filed by a Buyer within the first couple of weeks of this new language going live when a part-time, inexperienced agent with a broker who doesn't review their contracts, misreads/misunderstands this paragraph and thinks this is where they are supposed to list their buyer's-agent fee. This whole commission thing has been grossly overcomplicated by NAR's failure to defend us in the past lawsuit, but this language will create a whole new risk for Buyers and Brokers.</p> <p>If I may offer a suggestion, simplify the listing and representation agreements to say something closer to "Client agrees to pay Broker X. Client also agrees that Broker may share not less than Y and not more than Z with the Counterparty's Broker." Then you could simplify the 1-4 and other contracts to say, "Seller confirms that they will pay X to their Broker and Y to Buyer's Broker per the existing listing agreement." The next line would read, "Buyer confirms that they will pay their Broker X per the existing representation agreement." If you did this, it would force everyone to have listing and rep agreements, which is what you want, because the contract would only be confirming the existing agreement.</p> <p>If you wanted to deal with unrepresented buyers or sellers, you could add one or two additional lines like, "Seller/Buyer hereby confirms that he has chosen not to be represented by a Broker in this transaction. Seller/Buyer agrees to pay Buyer's Broker X..."</p> <p>This would accomplish the goal of getting Brokers to comply with the new laws regarding agency because the only grounds for getting paid would be listing and rep agreements. It would remove the risks created by the new language. It would simplify the Broker compensation for everyone, Sellers, Buyers, Brokers, and incompetent Agents.</p>
ivy	boland	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>12B- 2 is causing quite a commotion amongst agents in our office. it makes no sense, when would a buyer pay a seller's broker? please explain</p>
Rick	Martinez	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>Please consider adding a checkbox to paragraph 22 allowing the Buyer's Walkthrough and acceptance form to be part of the contract. You could also just make a statement that this document is required for all 1 to 4 Family transactions. This is a very important document and should be required by all brokerages. There are companies that do not. Require the form and refuse to have their buyer sign it since it was not part of the contract.</p>
Nick	Kline	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>I like the changes except for the broker's information page. I liked it as 2 columns. I think that layout is easier to read than the new layout. I understand maybe needing more room for characters, and maybe with time our eyes will be trained to go to the correct spot... but this change makes it look much more unorganized.</p>

Lori	Solecki	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	I like the changes over all but I do think that 7 (i) is overwhelming as are all the additions in 22. I think as long as everyone is well trained on the rationale and use -it will be a benefit in the long run. There will be confusion at first for sure. I love that you broke out paragraph 12 but to be realistic I don't think we will see use of the buyer paying the listing broker fee unless we go back to covid selling time. My only concern is at point of sale negotiation the seller may say well if I am paying some of the buyer agent fees let them pay some for me too right? That is the crazy world of real estate so time will tell. Thank you for all your hard work on these!
Christopher	Gonzales	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>Adding "or their agent" to Paragraph 21 finally places the responsibility onto the agent to act on behalf of their client and to deliver notices in a timely manner; I strongly support that change. I would, however, like some clarification on "provide" versus "deliver" and "furnish." For example:</p> <p>Paragraph 4C(2) says "Seller has not delivered....." then later says "Seller shall provide." Paragraph 6C(1) says "Seller shall furnish to Buyer and Title Company." Earlier in Paragraph -- Paragraph 6A -- it also says "furnish," but I feel that in that scenario, the language may be different because it falls on the title company to issue the title policy. Paragraph 7B(2) says "Seller shall deliver"</p> <p>Does Paragraph 21 need to be expanded to include the delivery of the survey, title policy, and Seller's Disclosure Notice? Can we be consistent with the language and/or clarify "provide" versus "deliver" versus "furnish" so it's clear what constitutes delivery under that paragraph?</p> <p>Should the revised paragraph read "All notices from one party OR THEIR AGENT to the other OR THEIR AGENT must be in writing. Notices are effective when mailed to, hand-delivered at, sent by overnight courier to, or transmitted by electronic transmission to the other party or their agent." I feel that we need to clarify that the agent can (and should) give notice to the other agent on behalf of their client.</p>
Jennifer	Wasserman	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	Similar to the COVID addendum TXR2520 that was implemented during the pandemic, I highly recommend TREC adding a new addendum to include acts of war force majeure should the war continue to quickly escalate. Many jobs will be lost and people will need to terminate contracts.
Vicky	French	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	Paragraph #7I this does not make sense to me, wording is confusing. also not a big fan of #12B(2) can see were is will be an issue for agents that "don't Read" which can be all of us

Danielle	Tucker Shepard	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	In regard to the compensation - it would be a better idea to have a separate paragraph dealing with compensation for the buyer request of the seller for buyer broker compensation. Additionally, the withdrawal of the listing agent to offer cooperative compensation at the request of the seller has made the consumer have LESS of a say in their real estate transaction. Additionally, regarding the surface water rights...or groundwater conservation districts....ask your friends....do you know you are in a conservation district, if so which one? I am in a county where the conservation district is a non-taxing entity. When I ask sellers to do their seller's disclosure without assistance from me - NONE of them....NONE know that they are in the Saratoga Water Conservation District. So, essentially, it is a very minor amount of seller's who know and understand water rights, so with this continuing to be a part of the contract you are requesting that the AGENT not the Consumer answer these questions on behalf of the Consumer. We would all like to believe that sellers and buyers understand water rights, but if any of you have gone to Dr. Porter's classes on water rights, even those in attendance don't understand the complexities.
Gordon	Pate	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	These proposed contract changes will not work. Most buyers do not have the funds to separately pay an agent; there are too many other expenses for buyers. Most buyers already have enough challenges to overcome when purchasing a home. What will happen to first time home buyers, buyers who already have tight budgets, etc. those buyers will have NO representation?? These new proposed changes are going backwards and will put buyers at a disadvantage and result in no buyer's representation. Historically, the selling agent has agreed to share their compensation with the buyers/buyers agents for BRINGING the seller a BUYER resulting in each party having EQUAL representation.
Sheri	Staggs	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	These proposed contract changes will not work. Most buyers do not have the funds to separately pay an agent; there are too many other expenses for buyers. Most buyers already have enough challenges to overcome when purchasing a home. What will happen to first time home buyers, buyers who already have tight budgets, etc. those buyers will have NO representation?? These new proposed changes are going backwards and will put buyers at a disadvantage and result in no buyer's representation. Historically, the selling agent has agreed to share their compensation with the buyers/buyers agents for BRINGING the seller a BUYER resulting in each party having EQUAL representation.
Haley	Loupe	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	Buyers will have NO representation if they have to pay their own agent. The proposed changes will give buyers a huge disadvantage and result in no representation. The selling agent agreeing to share their compensation with the buyers/buyers agents because they brought the seller a buyer! It also results in EQUAL representation!
Keith	Staggs	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	Buyers face enough challenges when trying to buy a home and can't afford to pay for their own agent. The proposed changes will give buyers a huge disadvantage and result in no representation. The selling agent agreeing to share their compensation with the buyers/buyers agents because they BROUGHT the seller a buyer has been in place for a reason and results in EQUAL representation!

Susanna	Boyer	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	In ¶ 5.A., it would be great if you would define Escrow Agent, because we still have many agents in Texas entering the Escrow Officer's name instead of the Title Company or Attorney's name.
Phyllis	Young	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	These proposed contract changes to paragraph 12 are turning real estate back 50+ years. I've been an agent for 56 years. Mostly the changes were positive during that timeframe, but these changes are not. Buyers are being left out of protection. First time home Buyers don't know anything about where to begin the process to purchase and might be limited on funds. These are the reason Buyer's agency began with TREC and Buyers representation agreement was established. Both Sellers and Buyers have worked together for years sharing compensation from the proceeds of the purchases. By the Buyers not being addressed in the process on the 1-4 Family Residential Contract (RESALE) The Buyer and their Agent are being kept in the dark and will be left out of being able to purchase a home. The commissions should come from the proceeds of the sale. The Selling agent should work with the Buyers agent through the process.
Meagan	Campion	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	In the Commission's recent Special-Purpose Review by the Sunset Advisory Commission, Sunset directed the Commission to add language to contract forms to provide prospective buyers with relevant information on groundwater and surface water rights associated with a property. To that end, a new Paragraph 7(I) has been added to the contract forms. Seller can honestly answer "true" to all statements in Paragraph 7(I)3. Water is only provided by the City. However, property is located in an Underground Water Conservation District. Since the paragraph has been removed from the contract for this disclosure, how would we proceed with disclosing this if the current contract is approved? I feel there needs to be an additional statement regarding water districts in this paragraph to allow for disclosure even if the water is provided by a single source.
Amie	Henry	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	The proposed reordering of Paragraph 12.A.1.b. and 12.A.1.c. creates unnecessary confusion. In recent versions of the contract, Paragraph 12 has been structured so that: <ul style="list-style-type: none"> • 12.A.1.b. = Buyer Broker Compensation (paid by Seller) • 12.A.1.c. = Concessions (paid by Seller) We have trained our agents with a simple and effective framework: "B = Buyer Broker Compensation, C = Concessions." The draft version reverses this order, placing concessions before buyer broker compensation. This reordering creates practical issues in the field, including inconsistencies, increased risk of error, and impacts on contract competency. Given the number of changes to promulgated forms in recent years, avoiding unnecessary structural changes would help license holders maintain clarity and consistency in the field. Please consider retaining the current order of Paragraph 12. Maintaining consistency in form structure is not just a preference; it is directly tied to reducing errors and supporting competent use of promulgated contracts.
Pam	Wachholtz	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	The new contract is confusing, regarding broker comp - but I'm sure there is a reason for it. I would suggest a separate checklist explaining the why's so that when savvy clients ask, we have a full understanding and can intelligently relay the reasons.

Christopher	Dean	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>I wanted to submit a quick public comment to this statement in paragraph 12: "option for the buyer to contribute to the seller's broker's compensation"</p> <p>Aside from the fact that consumers don't even want to pay their buyer's agent much less the seller's agent, the biggest issue I see here is how is it fair to allow the buyer to agree to pay part of the listing agent's compensation as part of the contract (not even sure how that can be done since the seller's agent has a legal agreement with the seller for their commission, is it extra?) but the buyer is not allowed to specify how much they want to pay their buyer's agent as part of the contract (i.e. must be done prior to negotiation in a buyer's rep). If all fees are negotiable and subject to negotiation on a per-deal basis (as they should be) and this new option is going to be allowed then an adjustment to the buyer's agent commission must also be allowed that doesn't require redoing a buyer rep.</p>
Jimmy	Wortham	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>Paragraph 12 is still confusing based on the latest red-lined draft of the Unimproved Property Contract. I think it would help if you could stitch the entire commission split into one sub-paragraph and simply let everyone see the entire commission plan on the contract.</p> <p>(Suggestion revision is in red font)</p> <p>12. Settlement and Other Expenses B. Brokerage Compensation. Brokerage compensation is not set by law and is fully negotiable. Each party shall pay their respective brokers pursuant to the terms of the parties' obligations to compensate their brokers contained in separate written agreements. The contributions under 12B(1) and 12B(2) below shall be applied to and shall not change the parties' obligations to pay compensation pursuant to those agreements. The following contributions must be paid at closing: (1) Seller will pay per the agreement with their Broker, of which, Seller agrees to pay (check one box only) \$_____ or _____% towards the Buyer Agent commission. Buyer is contributing (check one box only) \$_____ or _____% towards the Buyer Agent</p>
Sheri	Staggs	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>These newly proposed contract changes regarding brokerage compensation will not work. Most buyers do not have the funds to separately pay an agent; there are too many other expenses for buyers. Most buyers already have enough challenges to overcome when purchasing a home. What will happen to first time home buyers, buyers who already have tight budgets, etc. those buyers will have NO representation??</p> <p>These new proposed changes are going backwards and will put buyers at a disadvantage and result in no buyer's representation. Historically, the selling agent has agreed to share their compensation with the buyers/buyers agents for BRINGING the seller a BUYER resulting in each party having EQUAL representation. Please rethink the proposed changes to our real estate contract. The changes will not work. Buyers often do not have money to separately pay an agent. There are many other. expenses for them when purchasing a home. Buyers need representation and buyers on a tight budget are at risk of not being able to purchase a home. The proposed changes make no sense and put buyers at a disadvantage with no buyer representation. As things have been with selling agent agreeing to share their real estate fee with the buyer's agent for fining a buyer resulting in equal representation to the seller and to the buyer. Again, please rethink these proposed changes.</p>
Judy	Smeins	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	<p>These newly proposed contract changes regarding brokerage compensation will not work. Most buyers do not have the funds to separately pay an agent; there are too many other expenses for buyers. Most buyers already have enough challenges to overcome when purchasing a home. What will happen to first time home buyers, buyers who already have tight budgets, etc. those buyers will have NO representation??</p> <p>These new proposed changes are going backwards and will put buyers at a disadvantage and result in no buyer's representation. Historically, the selling agent has agreed to share their compensation with the buyers/buyers agents for BRINGING the seller a BUYER resulting in each party having EQUAL representation. Please rethink the proposed changes to our real estate contract. The changes will not work. Buyers often do not have money to separately pay an agent. There are many other. expenses for them when purchasing a home. Buyers need representation and buyers on a tight budget are at risk of not being able to purchase a home. The proposed changes make no sense and put buyers at a disadvantage with no buyer representation. As things have been with selling agent agreeing to share their real estate fee with the buyer's agent for fining a buyer resulting in equal representation to the seller and to the buyer. Again, please rethink these proposed changes.</p>

Judith	Doyle	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	Apparently whoever is sitting of the board for amending and changing contracts is not familiar with who is and who is not a Broker;. they must have worked for Walmart. There are blanks for associates, Page 10 of 11.Team name , supervisor, listing associate, Brokers address, No line for the designated Broker. I am proud of my 50 years a s a broker and we need listed. Must be a lawyer who thinks they are better than we hard working brokers. Please get this corrected. I am MAD. MAD MAD. You only have other broker firm on both sides. We need out name as well.
Judith	Doyle	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	And you failed again. I believe the problem is that there are two different languages we are working with. When working with my Mexican contractors things get turned around in communication. This has happened in the One to Four Residential. 12. 1., (B). the English clearly states. the following amount to be applied to brokerage fees that BUYER has agreed to pay (c) 3.% of sales apr9ce, aa9check one box only) and an amount not to exceed \$9,000 to be applied top the other Broker's Expense. So who do you recon is the other Broker???? I would think the seller would be the one to pay the \$9,000. This is getting out of hand and making lawyers more money in court. We are not set up to be mind readers. We need to see this in plane correct American English. Agents should not be made to be the guessing of practice law thinking who this person might be. It clearly should state, Buyer and seller agree, Seller will apply _____ towards buyers closing expenses. simple as that. not buyer has agreed to to pay. We are out here trying to be mind readers. It needs to be simple as though you were explaining to a 12 year old.
Hershel	Manley	22 TAC §537.28	Standard Contract Form TREC No. 20-18, One to Four Family Residential Contract (Resale)	I would like to submit a suggestion that the Intermediary Relationship Notice be added as a checkbox in paragraph 22 of the 1-4 Residential contract
Marcus	Phipps	22 TAC §537.30	Standard Contract Form TREC No. 23-19, New Home Contract (Incomplete Construction)	Paragraph 12.B needs improvement. The best way to achieve clarity is to copy the compensation paragraph from the Texas REALTORS Commercial Contract. It allows for buyer and/or seller to pay the listing and/or buyer broker. It's clear and concise. This method and the one you have currently in paragraph 12 A is very confusing to consumers AND to title agents. Get it all into the contract and out in the open.
Vicky	French	22 TAC §537.30	Standard Contract Form TREC No. 23-19, New Home Contract (Incomplete Construction)	paragraph #7K is still confusing even after reading it a number of times
Marcus	Phipps	22 TAC §537.31	New Home Contract (Completed Construction)	Paragraph 12.B needs improvement. The best way to achieve clarity is to copy the compensation paragraph from the Texas REALTORS Commercial Contract. It allows for buyer and/or seller to pay the listing and/or buyer broker. It's clear and concise. This method and the one you have currently in paragraph 12 A is very confusing to consumers AND to title agents. Get it all into the contract and out in the open.
Marcus	Phipps	22 TAC §537.32	Standard Contract Form TREC No. 25-16, Farm and Ranch Contract	In this contract, the compensation is addressed twice. This is unnecessary and confusing. Put it all in paragraph 12 and do away with the other one. However, Paragraph 12.B needs improvement. The best way to achieve clarity is to copy the compensation paragraph from the Texas REALTORS Commercial Contract. It allows for buyer and/or seller to pay the listing and/or buyer broker. It's clear and concise. This method and the one you have currently in paragraph 12 A is very confusing to consumers AND to title agents. Get it all into the contract and out in the open.

Danielle	Tucker Shepard	22 TAC §537.32	Standard Contract Form TREC No. 25-16, Farm and Ranch Contract	<p>paragraph 21 is redundant to the provided information on page 11.</p> <p>If 12 A1 or B is a check only one option of percentage or flat fee, this is not indicative of all cases of compensation. I have been a facilitator of a transaction where the seller offered 1% plus \$500. with the contract the way it is proposed we could not allow for both.</p> <p>Additionally, why is the compensation on a 1-4 contract being handled differently that the farm and ranch? Shouldn't all contracts regarding how compensation is being handled be the same? If we are no longer going to have Listing Broker cooperating compensation then the Ratification section of the contract is unnecessary and redundant and could lead to conversations of ADDITIONAL compensation other than what is agreed to in paragraph 12. Also, on the bottom of page 12, once again if we will not have this language in the 1-4 contract, why do you need to have it on the farm and ranch. This has already led to much confusion among agents and frankly brokers who don't understand the difference between ratification and the agreed upon with a separate agreement....and what would be the separate agreement if the TR 2402 is going away? Will TREC create that?</p> <p>As for all conversations regarding compensation - no matter which document, they should all be worded in an identical way to alleviate Broker/Agent/Consumer confusion.....</p> <p>If you think a consumer understands ratification of compensation in a contract - wrong again.</p>
Vicky	French	22 TAC §537.32	Standard Contract Form TREC No. 25-16, Farm and Ranch Contract	<p>Have already stated my confusing on paragraph #7K but appears that 1 of the sentences is repeated regarding "If Seller delivers the Water Notice etc...." also being so #12B covers the compensation can we please remove the Ratification Fee and the bottom paragraph on who is paying, this has always been an issue a d super confusing for agents</p>
Jason	Norhcutt	22 TAC §537.32	Standard Contract Form TREC No. 25-16, Farm and Ranch Contract	<p>I was reviewing the proposed changes to the Farm and Ranch contract, and this is going directly to paragraph 12 of the Compensation of Agents. Since TXR is removing the cooperating compensation section from the listing agreement, does it make sense to continue having both paragraph 12 and then the ratification of fee? Ratification of fee has been used historically when it is a cooperating broker-to-broker compensation. Again, I go back to the fact that the listing agent will no longer have the cooperating compensation in the listing agreement. Is there a reason that we'd want to keep ratification of fee?</p>

Alexis	Thompson	22 TAC §537.32	Standard Contract Form TREC No. 25-16, Farm and Ranch Contract	<p>I appreciate the intent to promote transparency in compensation within the contract; however, I do not agree with listing compensation in three separate sections.</p> <p>As a member of the Texas Alliance of Land Brokers and a broker specializing exclusively in farm and ranch properties, I am increasingly seeing residential and less experienced agents working in this space without a strong understanding of this contract. Unfortunately, many brokers are not adequately educating their agents on its proper use.</p> <p>This has led to repeated issues where agents unfamiliar with farm and ranch transactions include compensation in multiple areas, such as Paragraph 12, the ratification fee, and on page 12, without realizing the cumulative effect. For example, an agent intending to request a 3% commission may inadvertently include it three times, effectively asking for 9% total compensation.</p> <p>To reduce confusion and prevent these errors, compensation should be clearly disclosed in one designated section of the contract rather than multiple locations.</p>
Shelyna	Tinglin	22 TAC §537.43	Standard Contract Form TREC No. 36-10, Addendum for Property Subject to Mandatory Membership in a Property Owners Association	<p>I foresee agents and consumers unable to determine what it means when you say the buyer actually received. Can we provide clarity or context to this sentence so consumers are not confused.</p>

Bart	Stockton	22 TAC §537.43	Standard Contract Form TREC No. 36-10, Addendum for Property Subject to Mandatory Membership in a Property Owners Association	<p>Para A2: Please consider changing to something like "Buyer may terminate the contract within 3 days after Buyer receives, or is deemed to have received, the Subdivision Information or prior to closing, whichever occurs first..." Regardless of the earlier definition of "received", I am certain that the parties will get crossways when the Buyer hasn't actually received the documents but is deemed to have received them.</p> <p>Para B: What if the Buyer learns of material changes to the information from somewhere other than the Seller? We have seen this scenario where a Buyer learns of something from the title company (which is not an agent of the Seller), attending an HOA meeting, reviewing meeting minutes, or talking to another HOA member before the Seller knows anything about them. Would the Buyer give notice to the Seller and then the Seller gives notice back to the Buyer under Para. B? Maybe a 5% issue, but it does happen and the form could nip it in the bud with clearer language relating to information the Buyer learns apart from what notices the Seller provides.</p> <p>Para C: thank you for making this abundantly clear to the parties and Escrow Agent that the Addendum will control in the case of a conflict. For some reason this has been difficult to educate that the agreement of the parties overrides the association documents or resale certificate.</p> <p>Para D: This Para. D has always been difficult to teach and it's even harder to explain in the heat of a transaction. Moving the "If Buyer does not require the Subdivision Information or an updated resale certificate..." provision to incorporate it into Para. A may be easier to understand because it directly relates to A3 and A4. It should be located closer to the conditions which may trigger it. Also, if a broker can request information and the Seller has pre-authorized the Title Company to obtain it for them, where does it indicate who pays for that? Nowhere else on the form is a broker allowed to obtain the info on their own or for their own account.</p>
Bart	Stockton	22 TAC §537.46	Standard Contract Form TREC No. 39-10, Amendment to Contract	<p>Paragraph (1): Please add a note or reminder that changing (1)B does not automatically change any financing addenda.</p> <p>Paragraph (7): Please change to either specify that the additional option fee is payable to the Escrow Agent or make it a checkbox for either Seller or Escrow Agent to be the payee. Agents are having these additional option fees paid to the title company (if at all, but that's another story) and the title companies are not refusing or educating the agents. I've preached paying it to the seller until I'm blue in the face but I believe this is more than an "education issue," especially with the newer additional option fee under the Back-Up Addendum that is payable to the Escrow Agent. Please standardize the payee for option fees across all forms or make all of them negotiable.</p>
Vicky	French	22 TAC §537.46	Standard Contract Form TREC No. 39-10, Amendment to Contract	Not a fan on #12B(2) regarding Buyer to pay Listing Agent fee but oh well
Jaime	Connell	22 TAC §537.62	Standard Contract Form TREC No. 55-0, Seller's Disclosure Notice	A suggested addition to the Seller Disclosures should contain the age of the HVAC system along with the Water Heater. These items are similar to the roof, in that they are large and expensive items that play a factor in contract pricing negotiations.
Lori	Solecki	22 TAC §537.62	Standard Contract Form TREC No. 55-0, Seller's Disclosure Notice	i like these changes and items addressed. Again training and rationale will be helpful.

Jaimie	Harvey	22 TAC §537.62	Standard Contract Form TREC No. 55-0, Seller's Disclosure Notice	<p>Sellers need to also disclose if the property is part of any CO2 leases this needs to be across the board on all contracts.</p> <p>This in not treated as a mineral, and lenders are not wanting to lend on properties because of the CO2 lease because they lease all the surface rights.</p> <p>This needs a section in the contract to make sellers disclose this.</p> <p>The problem is if the original seller who had the lease that runs for 5 to 7 years and sells the property and keep the lease through a reservation the new owner is not the original person who has the lease. So they don't have an interest in it and they don't think they need to disclose. This needs to be addressed it must be disclosed if they have any knowledge of a CO2 lease.</p>
Vicky	French	22 TAC §537.62	Standard Contract Form TREC No. 55-0, Seller's Disclosure Notice	<p>Okay...only use the TXR Seller Disclosure so think the changes are good and looking forward to TXR Seller Disclosure</p>
Bart	Stockton	22 TAC §537.63	Standard Contract Form TREC No. OP-L, Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards as Required by Federal Law	<p>Paragraph D2: the Seller must provide the Buyer with the EPA pamphlet but the language "check applicable boxes" immediately above indicates that the pamphlet is optional and should only be checked off if it happened to be provided. The sample form from EPA handles this better by offsetting the acknowledgements and elections to make it clearer that it's not an optional step:</p> <p>-----</p> <p>Purchaser's Acknowledgment</p> <p>(c)Purchaser has (initial (i) or (ii) below):</p> <p>-----(i)_____ received copies of all records and reports pertaining to lead-based paint and/ or lead-based paint hazards in the housing listed above.</p> <p>-----(ii)_____ not received any records and reports regarding lead-based paint and/or lead-based paint hazards in the housing.</p> <p>(d)_____ Purchaser has received the pamphlet Protect Your Family from Lead in Your Home (initial).</p> <p>(e)Purchaser has (initial (i) or (ii) below):</p> <p>-----(i)_____ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead- based paint hazards; or</p> <p>-----(ii)_____ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.</p> <p>-----</p> <p>Paragraph E: the TREC form is not clear that only the brokers receiving compensation from the Seller are required to perform the statutory duties and ensure the Seller's compliance. The EPA sample form has a footnote next to buyer's broker's confirmation: "Only required if the purchaser's agent receives compensation from the seller."</p>

Christine	Karr	22 TAC §537.68	Standard Contract Form TREC No. 61-0, Water Notice: Seller's Disclosure about Groundwater and Surface Water Rights (NEW)	<p>I have concerns regarding the overall complexity and clarity of this proposed form. As written, it is difficult to determine the correct selections and fully understand the implications of each option.</p> <p>As REALTORS®, we are expected to operate within our scope of competency and avoid providing explanations that could be construed as legal advice. If the form is challenging for practitioners to interpret confidently, it raises concern about how an average consumer would be expected to understand it.</p> <p>I respectfully recommend simplifying the language and structure to enhance clarity and usability for both license holders and the public.</p>
Dave	Covington	22 TAC §537.68	22 TAC §537.68, Standard Contract Form TREC No. 61-0, Water Notice: Seller's Disclosure about Groundwater and Surface Water Rights (NEW)	<p>I understand that water is a complicated issue and has also been the source of many lawsuits, resulting in the need for additional disclosure and information. However, I think 61-0 is going to be overwhelming to sellers. I think the result en masse will be incomplete forms and people writing in "unknown."</p> <p>In our market (Bell County), we have a water conservation district—Clearwater Underground Water Conservation District. Every single property, whether rural or urban, in Bell County is in the CUWCD. And there's already a question on the seller's disclosure asking if the property is located in a groundwater conservation district. I would bet that 95% of the seller's disclosures I see for Bell County properties incorrectly mark "No" to that question. We do our best to educate our clients, but the average agent in our market doesn't have a clue about the CUWCD either, so they're not helpful in many cases.</p> <p>I'm specifically concerned about paragraph 2(F) of form 61-0. If a groundwater conservation district regulates if/where a property owner can dig a well, have their groundwater rights been "severed" as this question asks? If so, we'll have to use this daunting form for every transaction in Bell County, even if it's not rural in nature (which seems to be the target user for this form).</p>
Kandice	Lauderdale	22 TAC §537.68	Standard Contract Form TREC No. 61-0, Water Notice: Seller's Disclosure about Groundwater and Surface Water Rights (NEW)	<p>If buyers or sellers are concerned about rights, then they should consult an attorney. Property rights are beyond the scope of standard residential real estate transactions. Rights supersede ownership, this is too much of a burden to place onto sellers when proper title abstracts need to be conducted first in order to rule out prior fraudulent deed filings that may have robbed rights from rightful owners or their heirs.</p>
Lori	Solecki	22 TAC §537.68	Standard Contract Form TREC No. 61-0, Water Notice: Seller's Disclosure about Groundwater and Surface Water Rights (NEW)	<p>I like the info and am wondering is this something we will use all the time as a notice of sorts to clients? I would like more training on some of this information. I work mostly dense subdivisions with only city water and sewer so I think most of this is unknown or [NA but still it is a bit confusing. I respect the need but would like more definition and clarity.</p>

Bart	Stockton	22 TAC §537.68	Standard Contract Form TREC No. 61-0, Water Notice: Seller's Disclosure about Groundwater and Surface Water Rights (NEW)	<p>Para 1(A) "groundwater" includes natural springs and flowing artesian wells if captured before entering a watercourse.</p> <p>Para 1(C) might be an "including but not limited to" situation because people will think their small pond, etc. is not covered under surface water. It also does not specify that the watercourse or impoundment might be periodically or typically dry and the boundaries may be nearly imperceptible at times. I don't see the underflow of a river addressed under any category and pumping water from underflow is regulated under the Water Code as state-owned surface water.</p> <p>Para 2(B) does not address wells not currently in use (actively producing) but not necessarily abandoned, capped, covered, or plugged. An "or" instead of "and" may accomplish this in 2(B)(3). Para. 2(B)(4) should have an "if applicable" in it.</p> <p>Para 3(B) – why does this not address any other watercourses such as a stream or creek?</p> <p>Notices – An additional notice should be added that the federal Clean Water Act (WOTUS) may apply and impose additional restrictions on the water and changes that can be made to the property.</p>
Danielle	Tucker Shepard	22 TAC §537.68	Standard Contract Form TREC No. 61-0, Water Notice: Seller's Disclosure about Groundwater and Surface Water Rights (NEW)	<p>I understand the need to discuss water in Texas. However MANY of the questions on this form will be unknown to most sellers. I believe that this document is overreaching into private property rights of owners. For example, the question about wells....there are many land owners that have unregistered wells, this would cause contempt among those land owners who do not understand where this data may end up. Again, I believe that this disclosure notice is not necessary and actually causes or concern. I understand we have a water issue in Texas and with the impending data centers and growth that water will become more scarce; however, we must remember that we cannot infringe upon consumer land owner rights.</p> <p>Notices to Buyer and Seller:</p> <p>(1) Statutes, rules, regulations, and court rulings concerning Groundwater, Water Wells, Groundwater rights, surface water, and Surface Water Rights (collectively, Water Rights) are multifaceted and may be complex.</p> <p>(2) The Seller may not have complete knowledge or understanding of the Water Rights related to or affecting the Property.</p> <p>Because of these statements in 1 and 2....what is the point of the form if you are going to say - well....who knows if the information is right or wrong and we are stating it may be wrong or omitted....but you have to kill a tree to have a new form...</p>

Mitch	Allen	22 TAC §537.68	Standard Contract Form TREC No. 61-0, Water Notice: Seller's Disclosure about Groundwater and Surface Water Rights (NEW)	<p>I am writing in support of proposed Form 61-0, the Water Notice: Seller's Disclosure about Groundwater and Surface Water Rights, and to offer several data-supported observations from working directly with Texas well records.</p> <p>TurnkeyWells.com works with Texas water well data daily. Over the past several years, we have built what we believe to be the most comprehensive commercially available water well dataset in the state — hundreds of thousands of well records spanning driller reports, plugging records, groundwater data, and historical archives, cross-referenced against county property records. That work includes recovering and digitizing pre-2001 well records from scanned state archives that were never entered into any digital database, records dating back to the 1920s that remain invisible to modern search tools. The observations below are drawn directly from that dataset.</p> <p>The form fills a real gap. Without a dedicated disclosure form, buyers have had no reliable way to know whether a well exists, whether it is active or plugged, or whether groundwater use on the property is regulated. Form 61-0 directly addresses this.</p> <p>Three specific issues our data surfaces:</p> <ol style="list-style-type: none"> 1. The address gap makes compliance difficult for a significant share of wells. <p>Roughly one in ten wells in the state database has no street address on file. Many are identified only by GPS coordinates, grid numbers, or directional descriptions relative to nearby landmarks — location methods that are standard in rural drilling but difficult for a seller to interpret or verify without specialized tools. The problem is concentrated in rural counties where real estate transactions are also happening — in some West Texas counties, more than a third of wells lack a usable street address. Even among domestic wells, the category most likely to appear in a residential transaction, tens of thousands have no street address.</p> <p>TREC should consider guidance in the form instructions acknowledging that state records may be incomplete as to street address, and that sellers are not necessarily able to self-verify through public databases.</p>
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Mitch Allen Cont'd.				<p>2. The pre-2001 data void is larger than widely understood.</p> <p>Texas well registration requirements were meaningfully strengthened in the early 2000s. Wells drilled before this period were submitted on paper forms to TCEQ and were never systematically digitized. In Tarrant County alone, we have identified over ten thousand pre-2001 wells that do not appear in any state digital database — wells spanning from the 1920s through the 1990s, predominantly domestic use. Locating these records required systematic recovery and digitization of scanned state archives — effort that a typical seller, agent, or title company cannot reasonably be expected to undertake.</p> <p>Statewide, the pre-2001 gap encompasses hundreds of thousands of wells with no digital record in any state system. Form 61-0 should include guidance acknowledging that the absence of a result in public databases does not confirm the absence of a well, particularly on older properties.</p> <p>3. Plugged wells present a disclosure ambiguity that the form does not resolve.</p> <p>Plugged wells represent a substantial share of all well records statewide — in some counties, more than half of all documented wells have been plugged. The form requires disclosure of plugged wells, but sellers of older properties often do not know a plugged well exists. Many plugged wells pre-date modern registration entirely and will not appear in any state record a seller can search.</p> <p>TREC should clarify the reasonable diligence standard expected of sellers with respect to historical plugged wells. The well records necessary for complete disclosure do exist — but they are scattered across multiple state agencies, historical archives, and formats that were never digitized. Consolidating these records into a single searchable dataset is work that has been done, but not by the state.</p> <p>One additional observation: the registration transfer gap.</p> <p>Form 61-0 requires disclosure that a well exists. It does not address the fact that well registrations routinely remain in a previous owner's name after a sale. In cross-referencing our well data against county appraisal district records, we have identified a significant number of cases where the registered well owner does not match the current property owner of record. This creates ambiguity about who holds disclosure obligations and who is responsible for transferring registration at closing.</p> <p>Disclosure Is Step One. Transfer Is Step Two.</p> <p>Form 61-0 establishes that sellers must disclose. The natural follow-on — transferring the well registration to the new owner — has no parallel standard in the transaction process. Buyers who accept disclosure but do not complete a registration transfer inherit a well that is still legally associated with the previous owner. This gap will become apparent quickly once Form 61-0 takes effect.</p> <p>Form 61-0 is a meaningful improvement to the Texas real estate transaction process. The May 4 effective date gives the industry time to prepare if TREC finalizes the rule promptly.</p>
Vicky	French	22 TAC §537.69	Standard Contract Form TREC No. 62-0, Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract (NEW)	Loved it....

Lori	Solecki	22 TAC §537.69	Standard Contract Form TREC No. 62-0, Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract (NEW)	I love this form and you would be surprised how many licensees do not know about this one. They just call and go hey contract one is going south so be ready you may be up. So crazy... so hopefully with the changes this form will see the light of day!
Bart	Stockton	22 TAC §537.69	Standard Contract Form TREC No. 62-0, Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract (NEW)	I am glad to see TREC issue this form. My hope is that making it a TREC form will remind license holders to give proper notice in writing. Whenever I teach this topic and show license holders the Texas REALTORS® notice form, very few have ever seen it. I have a question about the header at the top "Promulgated by the Texas Real Estate Commission (TREC)" as far as the difference between "promulgated" and "approved." Could the headers of all the voluntary and mandatory forms be standardized? For example, the Non-Realty Items Addendum says "approved for voluntary use", the Lead-Based Paint Addendum merely says "approved", and the proposed 62-0 says "Promulgated by the Texas Real Estate Commission." I understand that the term "promulgated" does not equate to "mandatory", but in the past a license holder could equate the two terms to determine which are mandatory and which are voluntary.
Vicky	French	22 TAC §537.69	Standard Contract Form TREC No. 62-0, Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract (NEW)	Looks great. Thank you....
Danielle	Tucker Shepard	22 TAC §537.69	Standard Contract Form TREC No. 62-0, Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract (NEW)	The name is ambiguous and does not adequately address to the consumer what is happening. That the backup offer is now placed in first position to be an effective active contract. I would recommend changing the name of the form to a more user friendly title. But, I do love that the form addresses the new amended effective date. Perhaps instead of calling it a notice to buyer, perhaps call it an amendment to the contract since changing and imposing a new effective date is an amendment to the contract. Perhaps a better name would be: Amendment for New Effective date for a backup contract" Keep it simple where consumers and broker/agents can understand what form to use.
Marcus	Phipps	22 TAC §537.69	Standard Contract Form TREC No. 62-0, Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract (NEW)	For the record, I like the form!

Todd	Luong	22 TAC §537.69	Standard Contract Form TREC No. 62-0, Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract (NEW)	<p>I have been a licensed real estate agent in Texas since 2008. I would like to make a suggestion for the TREC Addendum for "Back-Up" Contract.</p> <p>Current Problem with Back-Up Offers: When making a back-up offer, it is oftentimes very difficult for the buyer's agent and the buyer to determine what closing date to put on the back-up offer contract. The reason is because they have no idea when the First Contract will terminate. Sometimes the First Contract will terminate very early in the first few days, but sometimes it can terminate weeks later.</p> <p>Suggestion: Can an additional section like this be added to the TREC Addendum for "Back-Up" Contract? The use of this additional section would be completely optional.</p> <p>The Closing Date in Paragraph 9 of the contract is changed to _____ days after the Amended Effective Date. If the Closing Date falls on a Saturday, Sunday, or legal holiday, the Closing Date is extended until the next day that is not a Saturday, Sunday, or legal holiday.</p> <p>Why This Change Would Be Good: For buyer agents and buyers who are having a hard time determining what closing date to put on the back-up offer contract, this optional section on the Addendum for "Back-Up" Contract would make it easier for them to plan when their closing date will be. Many buyers would love to have a "floating" closing date like this while they are patiently waiting in back-up position. If their contract moves into first position, then the closing date would no longer be floating. When both parties are negotiating the back-up offer, the seller can decide if a floating closing date is acceptable or not. The seller can also decide if the number of days specified in that section is acceptable or not. Everything would be negotiable.</p>
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B. Sledge Direct: 512-579-3601
Fax: 512-579-3611
Email: bsledge@sledgelaw.com

March 25, 2026

COMMENTS SUBMITTED VIA TREC
ECOMMENTS SYSTEM AND VIA EMAIL

Ms. Abby Lee
General Counsel
Texas Real Estate Commission
P.O. Box 12188
Austin, TX 78711-2188

Re: Comments Pursuant to Rulemaking for 22 TAC §§537.20, 537.22, 537.26 – 537.28,
537.30 – 537.32, 537.37, 537.43, 537.46, 537.62 – 537.63 and 537.68-537.69

Dear Ms. Lee:

On behalf of the SledgeLaw Group PLLC and several of our clients, including the Prairielands Groundwater Conservation District (“GCD”), the Upper Trinity GCD, and the Benbrook Water Authority, we appreciate the opportunity to submit comments in support of the above-referenced proposed rules adding the *Water Notice: Seller’s Disclosure About Groundwater and Surface Water Rights*.

At the outset, we would like to commend the Commission, its staff, and the Broker-Lawyer Committee for their continued diligence in revisiting and refining this rulemaking. We recognize that, following the previously proposed rules on this topic last August and the receipt of public comments, the Commission elected to further evaluate the proposed language—particularly as it relates to surface water rights—and to address concerns regarding potential ambiguity and unnecessary burdens on market participants. The revisions now presented in the current rulemaking reflect a thoughtful and responsive process, and we appreciate the effort to improve clarity and usability for sellers, buyers, brokers, and realtors.

As we noted in our prior comments last September, water availability and water rights issues are increasingly central to real estate transactions across Texas. In our practice, we routinely encounter disputes arising after closing that stem from misunderstandings—or a complete lack of awareness—regarding groundwater and surface water rights, as well as associated regulatory obligations. These disputes frequently involve unclear or incomplete provisions in deeds, leases, or other conveyance instruments addressing the ownership, reservation, or use of water rights.

We also continue to see enforcement actions brought by the Texas Commission on Environmental Quality (TCEQ), groundwater conservation districts, and other regulatory authorities against current or prior landowners for violations related to the drilling, operation, or use of water wells,

or the unauthorized diversion or use of surface water. In many instances, these violations are not the result of intentional misconduct, but rather a lack of understanding of applicable legal requirements. Additionally, we regularly encounter transactions involving properties that lack a viable or lawful water supply—such as subdivided tracts that do not meet minimum acreage requirements for well permitting and are not served by a public water system. Too often, buyers do not evaluate water supply availability or regulatory constraints before acquiring property, leading to significant legal and practical challenges after closing.

For these reasons, incorporating a clear and accessible disclosure framework into standard TREC contract forms remains critically important. Requiring parties to address water supply and water rights issues at the front end of a transaction will help facilitate more informed decision-making and reduce the likelihood of post-transaction disputes. In this regard, the revised rule language represents a meaningful improvement. The refinements to the surface water rights provisions, in particular, reduce potential confusion and better align the disclosure requirements with practical realities faced by sellers and their representatives, while still ensuring that material issues are appropriately flagged for buyers.

We continue to support the Commission’s efforts to implement these disclosures and believe the revised language strikes an appropriate balance between providing meaningful information and avoiding unnecessary complexity or burden. The evolution of this proposal over several years—through extensive discussion, stakeholder input, and iterative drafting—demonstrates the seriousness with which the Commission, the Broker-Lawyer Committee, and interested stakeholders have approached this issue.

We again wish to recognize the many individuals and organizations whose sustained efforts contributed to this rulemaking, including members and staff of the Texas Water Association and the Texas Alliance of Groundwater Districts; the Co-Chairs and current and prior members of the Broker-Lawyer Committee, including the late Sarahjane “S.J.” Swanson; the TREC staff; members and staff of the Sunset Advisory Commission; and our clients and colleagues who have devoted substantial time, expertise, and resources to advancing this initiative. We also reiterate our appreciation for Dr. Charles Porter, whose early leadership helped bring attention to the importance of water-related disclosures in real estate transactions.

Thank you for the opportunity to participate in the drafting efforts through the Broker-Lawyer Committee and in this rulemaking process. We believe the revised proposed rules represent a significant step forward and will provide lasting benefits to Texas property owners and real estate professionals as water resource considerations continue to grow in importance across the state.

Sincerely,

A handwritten signature in black ink, appearing to read 'BS', with a long horizontal flourish extending to the right.

Brian Sledge
Attorney at Law
SledgeLaw Group PLLC

From: Avis Wukasch [REDACTED]
Sent: Monday, March 16, 2026 12:33 PM
To: General Counsel <general.counsel@trec.texas.gov>
Subject: comments

Abby;

My apologies in advance. I think I might have either hit send or deleted my comments on the changes to Paragraph 12 in the contracts and changed to the Seller Disclosure, so I am sending them to you in case I hit delete (all I know is that the data suddenly disappeared).

Avis Wukasch comments on Seller Disclosure 3.11.2026

Without commenting on the validity or benefit of the additional disclosures the Sunset Advisory Commission directed TREC to make to the Seller's Disclosure Notice, I respectfully submit that it is not prudent to make those changes at this time and that it would be better for those suggestions to be made by the Legislature before TREC revises the Seller's Disclosure Notice.

Although, the Sunset Advisory Commission found that TREC had the existing authority to make revisions to the Seller's Disclosure Notice under their authority in TRELA and no statutory change was necessary to add the additional disclosures to the Notice, that finding ignores four factors that could create confusion for the public and license holders and possible liability for license holders.

1. Unlike other disclosure requirements, Section 5.008 of the Property Code sets out the language required in a template form. Historically, TREC has promulgated a Seller's Disclosure Notice that mirrors the statutory language to guarantee compliance with the state's legal minimum requirements. This practice provides a safe harbor for sellers and protects the license holder from engaging in the unauthorized practice of law. Providing a form that aligns strictly with state law protects license holders by ensuring they are not drafting the statutory version on their own if that is the disclosure a seller wants to give.
2. The Seller's Disclosure Notice provided by TREC is a voluntary form. There are other versions of the Seller's Disclosure Notice prepared by trade associations or attorneys that are available that have additional disclosure information. Over the years, TREC has followed the Property Code to remain a neutral, regulatory baseline. Once TREC deviates from its historical position of mirroring the requirements of Section 5.008 of the Property Code, there will be no statutory version readily available for license holders or sellers to access. This, for all practical purposes, will eliminate sellers' choice to only give the minimum disclosures required by law. This, in effect, is usurping the Legislature's authority as to what the minimum disclosures should be.

3. Sellers have a choice as to which disclosure notice form they want to give to buyers, as long as it meet the statutory requirements. This notice is filled out by sellers, without any assistance from license holders, so that license holders are not unknowingly brought into a lawsuit for failure to disclose.

4. Sellers' agents are fiduciaries. As such they have an obligation to inform the seller of the requirement to give buyers the seller's disclosure notice, and that the seller has options as to which notice they will complete and sign. The seller's agent has to follow whatever choice the seller makes. License holders should not decide which Seller's Disclosure Notice form a seller uses or it could expose the license holder to possible litigation in the future.

In the event the Texas Real Estate Commission decides to move forward with the proposed changes at this time, I suggest the footer language on the last page of the Seller's Disclosure Notice be revised as set out below so as to be transparent and not mislead the public or license holders.

"This form was prepared by the Texas Real Estate Commission in accordance with Texas Property Code § 5.008(b) and [contains the minimum statutory requirements plus 7 additional disclosures at the end of Paragraph 9. It is to be can be](#) used in conjunction with a contract for the sale of real property entered into on or after ~~September 1, 2023~~ [May 4, 2026](#). Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>) TREC NO. 55-1 [55-0]. This form replaces 55-0 [OP-H]."

From: Avis Wukasch [REDACTED]
Sent: Monday, March 16, 2026 12:33 PM
To: General Counsel <general.counsel@trec.texas.gov>
Subject: comments

Also on Paragraph 12 of the contracts

Since the most commonly used Listing Agreement drafted by Texas Realtors contains a provision where Seller could agree to pay Seller's broker a commission amount that is shared with Buyer's broker, there could be some confusion as to how this works in conjunction with Paragraph 12. To avoid the situation where the seller is inadvertently obligated to pay double commission amounts, I suggest the addition of the following sentence to the end of section 12B(1): Since the most commonly used Listing Agreement drafted by Texas Realtors contains a provision where Seller could agree to pay Seller's broker a commission amount that is shared with Buyer's broker, there could be some confusion as to how this works in conjunction with Paragraph 12. To avoid the situation where the seller is inadvertently obligated to pay double commission amounts, I suggest the addition of the following sentence to the end of section 12B(1):

This amount will be reduced not be reduced by any compensation due to Buyer's Broker under the terms of the brokerage compensation agreement between Seller and Seller's broker.

Para. 5A: as a broker and instructor, I am glad to finally have a formal definition of Legal Holiday. As a practitioner, I wish the actual holidays could be named in the contract itself rather than referencing a statute that the average agent won't bother to look up.

Para. 6E(4), (7), (9): Do not remove references to separate addenda needing to be attached or separate notices needing to be provided. License holders and the public will believe that the short references in the contract contain the entire "heads-up" required under the referenced statutes and will not understand that separate paperwork is needed if the situation applies. Consider some of the preprinted notices in Para. 6E which contain the entirety of the statutorily required notice; removing references to required additional paperwork is a disservice and introduces confusion. Suggested alternative examples (replacement text in bold):

"6E(4) TIDE WATERS: If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. **The TREC Addendum for Coastal Area Property, or another addendum or notice required by the parties, should be used.**"

"6E(7) PUBLIC IMPROVEMENT DISTRICTS: If the Property is in a public improvement district, Seller must give Buyer written notice as required by §5.014, Property Code. **The notice form issued by the district, or the TREC Addendum Containing Notice of Obligation to Pay Improvement District Assessment, should be used.**"

"6E(9) PROPANE GAS SYSTEM SERVICE AREA: If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. **The TREC Addendum for Property in a Propane Gas System Service Area, or another addendum or notice required by the parties, should be used.**"

Para. 6E(11): This needs revision to reflect that certificates are only available if remediation was done by a licensed contractor. There are exceptions in the law where a licensed professional is not required and, therefore, no certificate was issued but buyers are trying to require certificates that do not exist. Suggest changing to "**If the property has been remediated by a licensed mold remediator...**"

Para 7I Seller's Disclosure About Groundwater and Surface Water Rights: I agree with the need for transparency and disclosure related to groundwater and surface water, however I do not believe that TREC should take it upon themselves to incorporate these disclosures into our forms and generate the Water Notice at this time, absent a statutory change. I understand that the Sunset Commission has issued a directive but something of this magnitude should come from the Legislature itself with precise language dictated in a statutory change. Acting on a non-statutory directive opens a can of worms as far as who is able to direct TREC to do something in addition to the full Legislature. That said, if the form changes related to the Water Notice move forward, I have other concerns.

First, having all of this baked into the Condo contract is inappropriate. I realize that we have condos on dirt (whether single family style or townhouse style) with the "Property" definition including the limited common elements appurtenant and a percentage of the general common elements but an ordinary condo owner is not going to have any idea and the parties are just going to mark a big X through the entire paragraph because it's a condo. You're going to be causing the Seller to deliver the Water Notice when there's a decorative pond in the community, if it's a waterfront community, or possibly even served by a central boiler because you haven't defined "water tank". Even in outlying areas, condo sellers aren't likely to know if they are on

well water because they just get a bill to pay or it's included in their dues payment. This is even more true if the well is only for landscaping or reserves. If you must include something in the Condo contract, it needs to be one of those "If Buyer is concerned about..." then attach/provide the Water Notice and Buyer has 7 days after receipt in which to terminate. No need for the full paragraph pasted from other contracts.

A big concern: The draft language still allows consumers to purchase property located in a Groundwater District yet never receive notice of this fact. The exemptions to the Notice in Para. 7I(3) do not take into account situations where the property may be currently receiving water from an outside source but is still located in a Groundwater District. If the Water Notice is not triggered in these scenarios, and the property does not require a Seller's Disclosure Notice under the Property Code 5.008 (which contains a question about location in a Groundwater District), purchasers may never be informed that they are buying property subject to groundwater restrictions. Considering that these districts currently cover about 70% of the state's land area, and landowners are increasingly looking for alternate sources of water or severing/leasing their groundwater rights, a greater than 5% of consumers may be purchasing property without any notice of a Groundwater District.

The proposed paragraph 7.I. is too confusing. I suggest a change like the below:

7.I. SELLER'S DISCLOSURE ABOUT GROUNDWATER AND SURFACE WATER RIGHTS

(Water Notice): Access to surface water or groundwater on the Property may be regulated, restricted, or prohibited, including but not limited to the right to drill or operate water wells and the right to withdraw water from surface water sources on or adjoining the Property. The parties shall use the Water Notice published by TREC to identify information related to groundwater and surface water rights.

- (1) Seller [] is [] is not aware of one or more of the following groundwater or surface water conditions related to the Property:
 - water well on the Property (in use or not in use)
 - pond, lake, or water tank on the Property
 - any certificate of adjudication, certified filing, or permit for surface water rights association with the Property administered by the Texas Commission on Environmental Quality
 - Property is located in a Groundwater Conservation District, Underground Water Conservation District, or Subsidence District (additional trigger not in current form proposal)
 - any groundwater rights to the Property that have been severed, sold, or leased in whole or in part
- (2) If the Seller is aware of any of the conditions in Paragraph 7.I.(3), Seller shall provide the Water Notice to the Buyer:
 - (a) [] Buyer has received the Water Notice.
 - (b) [] Buyer has not received the Water Notice. Within ____ days after the Effective Date of this contract, Seller shall deliver the Water Notice to Buyer. If Buyer does not receive the Water Notice, Buyer may terminate this contract at any time prior to the closing and the earnest money will be refunded to Buyer. If Seller delivers the Water Notice, Buyer may terminate this contract for any reason within 7 days after Buyer receives the Water Notice or prior to the closing, whichever first occurs, and the earnest money will be refunded to Buyer.
 - (c) [] Seller is not required to provide the Water Notice, and the Property receives water

only from the following municipality (City), municipal utility district (MUD) or other special district, water supply corporation (WSC), or private water supply company (PWC): _____

Para. 12B: I agree with the overall changes to 12A and the new 12B for clarity and flexibility, although I am going to hate having to start from ground zero in re-educating this paragraph content and practice. Should the phrase “and shall not change the parties’ obligations to pay” in the bolded sentence be set off with commas for ease of reading? Or rephrase to something like “The contributions under 12B(1) and 12B(2) below shall be applied to compensation pursuant to those agreements and shall not change the parties’ obligations contained in those agreements.”

Para. 12C: This paragraph should be incorporated into 12A(1)(b) since it directly applies to that paragraph and the proposed 12A(1)(b) already specifies that the amount cannot be applied toward brokerage fees. As an educator, I am continually frustrated by linked provisions that are not near each other in the forms when they could be consolidated or grouped.

Para. 20B: I am concerned with “Buyer shall pay any charges for gathering or reporting information to government agencies.” This works for the new FinCEN RRE Reporting but does not address any current or future situation where a Seller would trigger some kind of governmental reporting but the Buyer would still have to pay those fees. I think it would be better to say that the party triggering the reporting requirement shall pay the associated charges.

Para. 21: I agree with the change to specifying that Notices may be sent solely to a party’s agent. This modernizes the paragraph to reflect the way agents have been operating and eliminates a potential “gotcha” that could only be resolved by a court if the parties disagreed.

Para. 22: I like the organization of the addenda and notices into groups and understand the BLC’s deliberation on whether to list them in order of prevalence or alphabetically. I lean more toward alphabetically because different markets will have different rankings of prevalence. Thank you for finally including the Non-Realty Items Addendum as a checkbox. My concern arises with the addition of “The following utility, water, drainage, public improvement, and other district notices (list all that have been given or are attached):” For many of the statutory notices, if they are given prior to the contract being executed, they are not required to be incorporated into the contract itself. This would incorporate these into the contract, if listed in Para 22, based on the header language “Addenda and notices which are part of this contract are...”. This potentially turns them into representations of the Seller under Paragraph 19. If the Seller obtains the notice from the district or completes a blank form to the best of their knowledge, it could be wrong but the Seller may not be statutorily responsible if it turns out to be incorrect. It is fairly common in smaller districts for the info to be outdated or the Notice format to not be in compliance with the current statute. This should be revisited to more fully examine the potential for a contractual misrepresentation by incorporating things which are not required to be incorporated. By contrast, the existing Para. 6E(12) does not turn these prior-given notices into part of the contract.

Broker Information: The Intermediary section does not allow for different assumed names/trade names that a firm may be using under the same broker’s license. For example, a broker firm Alphabet Soup, Inc. may have Associate A in a branch operating as ABC Realty and Associate B in a branch operating as XYZ Brokerage. I understand that an appropriate move would be to insert “Alphabet Soup, Inc.” in the (Broker Firm) blank, but the consumers likely have never heard of the licensed name of the firm because TREC Rules allow everything consumer-facing to only use the assumed name/trade name. The proposed Intermediary

section should also be revised to make it more clear if these are appointed Associates or if no appointments have been made.

Receipts: Please give us an Additional Option Receipt section and make it clear whether it should be the listing broker/seller or the escrow agent receiving it. I have a separate comment on the Amendment form to change the payee on the option extension to the Escrow Agent to standardize these payees.

Respectfully submitted,

Bart Stockton
Broker/Instructor

From: Dave Covington
Sent: Tuesday, April 7, 2026 8:37 AM
To: General Counsel <general.counsel@trec.texas.gov>
Subject: New Form 61-0 Question

Good morning,

I have a question about the new Water Notice form (61-0). In Bell County, where I practice real estate, every single property in the county falls within the Clearwater Underground Water Conservation District. Even urban and suburban properties that have no realistic chance at drilling a well are in the groundwater district.

My question is about the question in paragraph 2(F) of that form. Does the presence of a property within a groundwater district mean that the groundwater rights “have been severed, sold, or leased in whole or in part with or without the right to drill or operate a water well on the property?”

Our seller (and agents) aren’t going to know how to interpret this form, so I’d like to empower them with as much information as possible.

From: Laurence Henry
Sent: Wednesday, April 8, 2026 5:39 PM
To: Brian Watts
Subject: [External] RE: Legal Update Manual

Also, you probably want my two cents worth on a proposed forms change. I applaud the BLC for defining the “Legal Holiday” term in the TREC contract but am concerned with the proposed definition. Given our audience, I think referencing a section of the Property Code makes it only slightly less confusing. This definition assumes buyers, sellers and real estate agents are going to know those dates as defined in the statute. I would rather state, “Legal Holiday is defined as a federal holiday as determined by the United States Congress as well as the Friday after Thanksgiving.” I realize referencing a Congressional determination still requires a little effort, but I think most know what a federal holiday is. Just a thought. Thanks as always for your and the BLC’s efforts on these matters.

From: Barbara Rozier
Sent: Thursday, April 9, 2026 9:51 AM
To: General Counsel <general.counsel@trec.texas.gov>
Subject: proposed form changes

Mostly like what I see but I think compensation is still confusing. We have some buyers who can't pay us therefore we only show them homes where compensation is from the seller or their agent. It's so much better if we know where it's coming from before we make an offer, or even make an appt.

As far as the SDN changes: Love all the changes here. Much more organized. Would also like to see the question asked: Is seller aware of any possible or proposed changes that might affect the property or the immediate area/neighborhood like eminent domains, new highways/roads, new construction or developments (residential, commercial, industrial etc). Sellers know stuff but if it's not asked in the right way it doesn't trigger their memory, or worse yet, they think they don't have to mention that the train will be going right through the neighbor next year.