

Legislative Background - why the forms changed

SB 1968
effective January 1

Removal of Subagency

Subagency is removed from TRELTA to reduce confusion. Brokers and agents can now represent:

- Seller as seller's agent
- Buyer as buyer's agent
- Both as intermediary

Showing Without Representation

License holders can show property without representing a party, treating the party as a customer, not a client.

Carve-out applies when 4 conditions are met:

- No agreement to represent the party
- Not acting as party's agent at time of showing
- Only showing is allowed, no advice, opinions, or property search
- No other acts of brokerage performed

Listing brokers can show property without representing the buyer since they already represent the seller.

Written Agreement Requirement

License holders *must* enter into written agreements with residential buyers when providing brokerage services.

Written agreement must be signed:

- **Before showing** residential property
- or **before submitting an offer** if no showing occurs

If representing the buyer: use a buyer's representation agreement.

If only showing: you may use a showing-only agreement without representation.

Buyer/Tenant Representation Agreement – Long Form (TXR 1501)



BUYER/TENANT REPRESENTATION AGREEMENT - LONG FORM

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E. “*Related Party*” means: any assignee of Client; any spouse, domestic partner, family member, or relation of Client; any officer, director, shareholder, partner, or member of Client; any entity directly or indirectly owned or controlled by Client, in whole or in part; any entity that directly or indirectly owns or controls Client, in whole or in part; and any trust for which Client is a trustee, settlor, grantor, or beneficiary.

B. Retainer (optional): At the time this agreement is signed, Client will pay Broker a **non-refundable** retainer of \$ _____. Broker will **or** will not apply this retainer toward any other fees owed to Broker under Paragraph 7A when Broker receives payment of the other fees. Client agrees that this retainer is reasonable and is being paid in exchange for Broker’s time, resources, and services provided to and on behalf of Client. Client understands the retainer is fully earned by Broker when paid and will not be refunded to Client even if this agreement is later terminated. Depending on the election above, the retainer will either be applied as a credit toward other fees owed to Broker under Paragraph 7A or treated as an additional fee earned by Broker under this agreement.

G. **Texas Property Code Chapter 5, Subchapter H restricts certain individuals, businesses, organizations, and governmental entities – linked to countries identified by the Director of National Intelligence or designated by the governor as a risk to national security – from purchasing, acquiring, or leasing real property for a term of one year or longer. If Client believes these restrictions may apply, consulting with an attorney is strongly recommended.**



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1. **PARTIES:** This Agreement is made between _____
(Collectively, "Client") and _____ ("Broker").
2. **APPOINTMENT:** Client appoints Broker as Client's real estate agent subject to the terms of this Agreement.
3. **DEFINITIONS:** In this Agreement, "acquire" means to purchase or lease real property. "Market area" means that area in the State of Texas specified as follows (for example, *insert property address, subdivision, city, county, zip code, etc.*): _____
4. **TERM:** This Agreement begins on _____ and ends at 11:59 p.m. on _____.
5. **BROKER OBLIGATIONS:** Broker must comply with minimum duties as required by law. Broker may represent other prospective buyers or tenants who may seek to acquire the same properties as Client. (Check only one box)
 - Full Services. Broker will use Broker's best efforts to assist Client in the acquisition of property in the market area.
 - Showing Services. Paragraphs 6, 7, and 8 do not apply. Broker will provide Client with access to properties in the market area. Client will pay Broker a fee of \$ _____ due upon execution of this Agreement.
6. **CLIENT OBLIGATIONS:** Client must: (a) work exclusively through Broker in acquiring property in the market area and (b) inform other brokers, sales agents, sellers, and landlords that Broker exclusively represents Client for the purpose of acquiring property in the market area and refer all such persons to Broker.

7. BROKER COMPENSATION:

- A. **Broker's Fees: When Earned and Payable, Client will pay Broker (Complete all that apply):**

(1) (Purchases) _____% of the sales price or \$ _____.

(2) (Leases) _____% of one month's rent or _____% of all rents to be paid over the term of the lease or \$ _____.
- B. **Earned and Payable:** Broker's fees are Earned when Client enters into a contract to acquire property in the market area during the Term. Broker's fees are Payable, either during the Term or after it ends, upon the earlier of: (1) the closing of a transaction to acquire a property or (2) Client's breach of a contract to acquire a property in the market area. "Closing" means the date legal title to a property is conveyed to Client or the date Client enters a binding lease.
 - C. **Source of Payment:** Broker may receive compensation from the seller, landlord, or their agents. Broker will credit any such compensation towards compensation due Broker under this Agreement and Client will pay any remaining balance.
 - D. **Escrow Authorization:** Client authorizes, and Broker may instruct, any escrow or closing agent to collect and disburse to Broker all amounts Payable to Broker.
8. **INTERMEDIARY:** Client does or does not authorize Broker to act as an intermediary if Client wishes to acquire one of Broker's listings. If intermediary is not authorized, Client will not be shown or acquire Broker's listings. **In accordance with applicable state law, Broker and Broker's associates: may not disclose to Client that the seller or landlord will accept a price less than the asking price unless otherwise instructed in a separate writing by the seller or landlord; may not disclose to the seller or landlord that Client will pay a price greater than the price submitted in a written offer to the seller or landlord unless otherwise instructed in a separate writing by Client; may not disclose any confidential information or any information a seller or landlord or Client specifically instructs Broker in writing not to disclose unless otherwise instructed in a separate writing by the respective party or required to disclose the information by the Real Estate License Act or a court order or if the information materially relates to the condition of the property; shall treat all parties to the transaction honestly; and shall comply with the Real Estate License Act.**

Broker compensation is not set by law nor fixed, controlled, or recommended by the Association of REALTORS® or MLS. Broker compensation is fully negotiable. Broker is prohibited from receiving compensation for brokerage services from any source that exceeds the amounts stated in this Agreement. This is a legally binding agreement. READ IT CAREFULLY. If you do not understand the effect of this Agreement, consult your attorney BEFORE signing. The parties authorize the use of electronic signatures for the signing of this Agreement.

Broker's Printed Name _____ License No. _____

Broker's (or Broker's Associate's) Signature _____ Date _____

Broker's Associate's Name, if applicable _____ License No. _____

Client's Printed Name _____

Client's Signature _____ Date _____

Client's Printed Name _____

Client's Signature _____ Date _____

"Buyer Rep" Short Form
(TXR 1507)
no changes

Unrepresented Customer Showing Form (TXR 1508)

Property: _____
(Street Address and City)

Note: Pursuant to 1101.563, Texas Occupations Code, a broker must enter into a written agreement with a prospective buyer before showing residential real property. This form is only to be used when a broker does not represent the prospective buyer or seller and the only act of real estate brokerage being performed is showing real property.

Broker will, at Broker's reasonable discretion, provide Customer with access to the real property described above according to the following:

- **No Representation.** Broker does not represent Customer as Customer's real estate agent. Customer does not currently have a representation agreement with another broker.
- **No Compensation.** Broker will not charge Customer any fee for showing property under this agreement.
- **No Advice or Opinions.** Broker will not provide Customer with any advice or opinions regarding real property or real estate transactions. However, Broker may confirm property details such as size, price, or other terms concerning the Property.
- **No Other Brokerage Services.** Broker will not provide Customer with any other brokerage services under this agreement other than providing access to the Property. Broker and Customer may agree to additional services and compensation for such services in a separate written agreement.
- **Term.** This agreement is non-exclusive and automatically terminates at the conclusion of showing the Property described above and in no event later than fourteen (14) calendar days from the last date initialed below.
- **LIMITATION OF LIABILITY: Neither Broker nor any other broker, or their associates, is responsible or liable for any person's personal injuries or for any loss or damage to any person's property that is not caused by Broker. Customer will hold Broker, any other broker, and their associates, harmless from any such injuries or losses. Customer will indemnify Broker against any claims for injury or damage that Customer may cause to others or their property.**

By initialing below, Broker and Customer acknowledge and agree to the above.

Broker/Broker Firm Name: _____ License No.: _____

Broker's Associate's Name: _____ License No.: _____

Broker's (or Broker's Associate's) Initials: _____ Date: _____

Customer's Name: _____ Customer's Initials: _____ Date: _____

Customer's Name: _____ Customer's Initials: _____ Date: _____

Broker compensation or the sharing of compensation between brokers is not set by law nor fixed, controlled, recommended, or suggested by the Association of REALTORS®, MLS, or any listing service. Broker compensation is fully negotiable. Brokers independently determine their fees.

NOTE: Open Houses

- As part of the listing broker's firm
 - No IABS
 - Disclose who you represent
- As part of a separate broker's firm
 - IABS provided to all visitors
 - Written agreement required for visitors

TREC Forms Changes

Other Updated TREC Forms

- **Landlord's Floodplain and Flood Notice**
(updated Nov. 2025)
- **Buyer's Temporary Residential Lease****
(TREC 16-7, TXR 1911)
- **Seller's Temporary Residential Lease****
(TREC 15-7, TXR 1910)

****New versions became mandatory after 1/4/26**

Texas REALTORS® Forms Changes

Residential Real Estate Listing Agreement Exclusive Right to Sell (TXR 1101)

- Removing reference to subagent in 5A
- Made several language updates for consistency like capitalizing defined terms and references to paragraphs
- Adding T-47.1 Declaration in Section 19D as an addendum that Seller may need to provide

Farm and Ranch Real Estate Listing Agreement Exclusive Right to Sell (TXR 1201)

- Removing reference to subagent in 5A
- Made several language updates for consistency like capitalizing defined terms and references to paragraphs

Termination of Buyer/Tenant Representation Agreement (TXR 1503)



TERMINATION OF BUYER/TENANT REPRESENTATION AGREEMENT

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Notice: This termination is only effective when signed by both Client and Broker.

- A. **Prior Agreement:** On or about _____, Client and Broker entered into a Buyer/Tenant Representation Agreement (the agreement).
- B. **Termination Date:** The parties terminate the agreement at 11:59 p.m. on _____.
- C. **Termination Fee:** Upon execution of this termination, Client will pay Broker a fee of \$ _____ for services rendered through the Termination Date. Client and Broker agree that this Termination Fee constitutes a fair and reasonable estimate of the damages Broker will incur due to early termination of the agreement, considering the time, labor, and services Broker has provided to Client up to the Termination Date. The Termination Fee is in addition to any fees payable to Broker under Paragraph D below.

D. **Protection Period:**

(1) If on or before _____ Client or any Related Party agrees to purchase or lease a Property by oral or written agreement or option, Client will pay Broker at the time the Property is purchased or leased a fee equal to *(check all that apply)*:

- (a) _____% of the sales price if Client or any Related Party purchases a Property.
- (b) _____% of the gross rent to be paid over the term of the lease if Client or any Related Party leases a Property.
- (c) _____.

"Related party" means any assignee of Client; any spouse, domestic partner, or family member of Client; any officer, director, shareholder, partner, or member of Client; any affiliate of Client; any entity that directly or indirectly owns, is owned by, or is under common control with Client; and any trust for which Client is a trustee, settlor, grantor, or beneficiary.

(2) The fees specified in Paragraph D(1) are payable only if Client or any Related Party agrees to purchase or lease: *(Check one box only)*

- (a) any Property in the Market Area.
- (b) any of the following properties: _____

_____.

E. **Release:** Except as stated in this termination or in the provisions of the agreement that expressly survive termination, Client and Broker release each other from all other obligations under or related to the agreement.

Broker's (Company's) Printed Name

Client Date

By: _____
Date

Client Date



General Information and Notice to Consumers (TXR 1506)

- Adding provisions specifically applicable to tenants
- Modifying language throughout to enhance clarity

FLOOD HAZARD, FLOODWAYS, AND FLOOD INSURANCE. Many properties are in flood hazard areas. Lenders who make loans on properties located in special flood hazard areas typically require the owner to maintain flood insurance. Additionally, some properties may lie in the floodway. Texas REALTORS® publishes a form titled, "Information about Special Flood Hazard Areas" (TXR 1414), which discusses flood hazard areas and floodways in more detail. The buyer is encouraged to buy flood insurance regardless of whether the property is in a high, moderate, or low risk flood area. A tenant may want to consider purchasing flood insurance if renting in a flood hazard area. The landlord's flood insurance typically does not cover a tenant from loss of personal property or displacement costs.

any repairs are complete. If the condition of the property does not satisfy the contractual provisions, the buyer should notify the buyer's agent before closing.

MANDATORY OWNERS' ASSOCIATIONS. If a property is subject to an owners' association, membership in the association is typically required, may require a property owner to be a member. The buyer may be entitled to obtain subdivision information, which may include the applicable (the restrictions, applying to the subdivision, the association bylaws and rules of the owners' association, and a resale certificate). Unless otherwise negotiated in the contract, the buyer may be required to pay responsible for the cost of obtaining this subdivision information unless otherwise negotiated in the contract. If membership in an owners' association is required, the buyer will probably be obligated to usually involves an obligation to pay periodic dues or assessments. Failure to pay such dues could result in a lien on and foreclosure of the property. A tenant is also required to comply with all owners' association rules applicable to the leased property and may be subject to fines for failure to do so.

NEW FORM:
Residential
Contract Critical
Date List
(TXR 1958)



RESIDENTIAL CONTRACT CRITICAL DATE LIST

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FOR THE RESIDENTIAL CONTRACT CONCERNING THE PROPERTY AT

Seller: _____

Buyer: _____

The following list of critical dates is provided as a service and is informational only. The dates are not a legal interpretation of the contract and do not amend or modify the terms of the contract. There may be a different legal interpretation of the dates. There may be other critical dates contained in the contract. Broker assumes no liability in connection with the accuracy of the dates listed below, please contact your attorney for verification of the critical dates.

EFFECTIVE DATE: (Page 9)..... _____

EARNEST MONEY

Buyer's delivery of earnest money (Paragraph 5.A.) *

Buyer's delivery of additional earnest money (Paragraph 5.A.1.) *

TERMINATION OPTION PERIOD

Buyer's delivery of termination option fee (Paragraph 5.A.) *

Buyer delivers notice of termination by 5:00 p.m. (Paragraph 5.B.) _____

FINANCING: (from Third Party Financing Addendum (TXR-1901))

Buyer's termination for failure to obtain buyer approval (Paragraph 2.A.) _____

Buyer's termination for failure to obtain property approval (Paragraph 2.B.) _____

Buyer's termination due to appraised value (TXR-1948 Paragraph 3) _____

OTHER: _____

OTHER: _____

TITLE POLICY, SURVEY, AND STATUTORY NOTICES

Seller's delivery of title commitment and documents (Paragraph 6.B.)..... _____

Delivery of survey (Paragraph 6.C.) _____

Buyer's notice of objections (Paragraph 6.D.)..... _____

Seller's cure of objections (Paragraph 6.D.) **

Receipt of Subdivision Information (TXR-1922) _____

OTHER: _____

OTHER: _____

CLOSING DATE (Paragraph 9.A.) _____

* Dates falling on Saturday, Sunday or federal reserve bank holiday are extended to the next business day.

** Deadline may be adjusted based upon completion of preceding events.



Condominium Addendum (TXR 1401)

- Changed the term “unit” to “property” throughout the document

Amendment to Listing (TXR 1404)

- Removed the reference to subagent in Paragraph D

Information About On-Site Sewer Facility (TXR 1407)

- Updated paragraph D with date and source of information for wastewater usage rates

Notice of Withdrawal of Offer (TXR 1945)

- Formatting changes only

Buying Your Home: Settlement Costs and Helpful Information (HUD Form) (TXR 2512)

- Retired this form as it was no longer being utilized

THANK YOU

Resources:

- Legal Hotline, M-F,
9:00AM-4:00PM,
512-480-8200

Legal Updates

