Texas REALTORS® Legal Update for Instructors

June 2026



TEXAS REALTORS

Texas REALTORS® Forms

available now

- Residential Real Estate Listing Agreement Exclusive Right to Sell, TXR 1101
- Named Exclusions Addendum to Listing, TXR 1402
- Exclusive Agency Addendum to Listing, TXR 1403
- Amendment to Residential Listing Exclusive Right to Sell, TXR 1404
- Seller's Disclosure Notice, TXR 1406
- Buyer/Tenant Representation Agreement Long Form, TXR 1501
- Buyer/Tenant Representation Agreement Short Form, TXR 1507
- General Information and Notice to Consumers, TXR 1506
- Buyer's Walk-Through, Confirmation, and Acceptance Form, TXR 1925
- Residential Contract Critical Date List, TXR 1958
- Wire Fraud Warning, TXR 2517
- Residential Condominium Contract (Completed Construction)TXR 1608
- Residential Condominium Contract (Incomplete Construction)TXR 1609
- *New* Property Condition Statement TXR 1421
- *New* Amendment to Farm and Ranch Listing TXR 1422
- *New* Amendment to Residential Exclusive Right to Lease TXR 1423
- *New* Amendment to Commercial Listing Agreement TXR 1424

must use the NEW versions of the forms

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TREC Forms

mandatory July 1st

- One to Four Family Residential Contract (Resale) TREC 20-19 (TXR 1601)*
- New Home Contract (Incomplete Construction) TREC 23-20 (TXR 1603)*
- New Home Contract (Completed Construction) TREC 24-20 (TXR 1604)*
- Farm & Ranch Contract TREC 25-17 (TXR 1701)*
- Unimproved Property Contract TREC 9-18 (TXR 1607)*
- Residential Condominium Contract (Resale) TREC 30-18 (TXR 1605)*
- Amendment to Contract TREC 39-11 (TXR 1903)*
- Addendum for "Back-Up" Contract TREC 11-9 (TXR 1909)*
- Addendum for Property Subject to Mandatory Membership in a POA TREC 36-11 (TXR 1922)*
- Addendum for Seller's Disclosure of Lead-Based Paint TREC 56-0 (TXR 1906)
- Seller's Disclosure Notice TREC 55-1
- *New* Seller's Disclosure about Groundwater and Surface Water Rights TREC 61-0 (TXR 1425)*
- *New* Seller's Notice to Buyer of Removal of Contingency Under Addendum for "Back-Up" Contract TREC 62-0 (TXR 1913)

must use the NEW versions of the forms

**TREC mandatory use forms*

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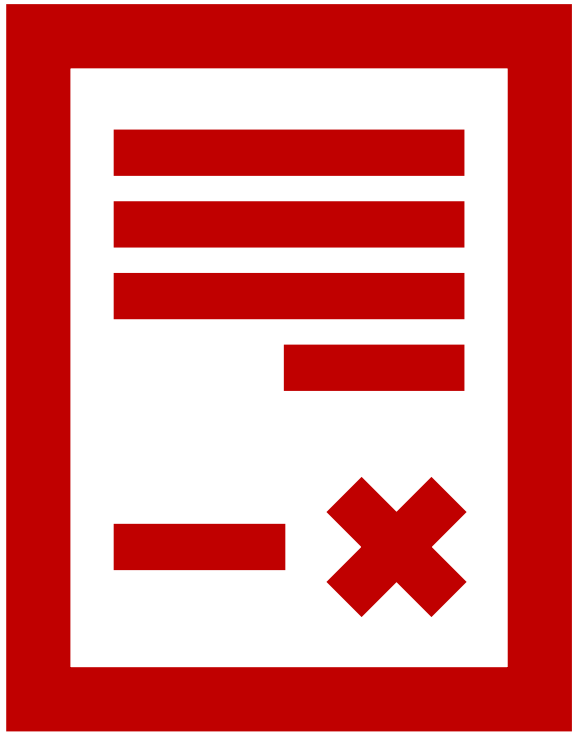
SOME OF THE CONTRACT CHANGES



1. Generators (Para 2B)
2. “Legal Holiday” (Para 5A(2))
3. Seller’s Disclosure about Groundwater & Surface Water Rights (Para 7 & TREC 61-0)
4. Paragraph 12 updates
5. Notices (Para 21)
6. Page 10 disclosure removed



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LEGAL HOLIDAY



1. New Year's Day (Jan 1st)
2. MLK, Jr. Day (3rd Mon in Jan)
3. President's Day (3rd Mon in Feb)
4. Memorial Day (last Mon in May)
5. Emancipation Day in Texas (June 19th)
6. Independence Day (July 4th)
7. Labor Day (1st Mon in Sept)
8. Veteran's Day (Nov 11th)
9. Thanksgiving Day (4th Thurs in Nov)
10. Friday after Thanksgiving Day
11. Christmas Day (Dec 25th)

If it is not one of these 11 days, it is not a "Legal Holiday" as defined by TREC

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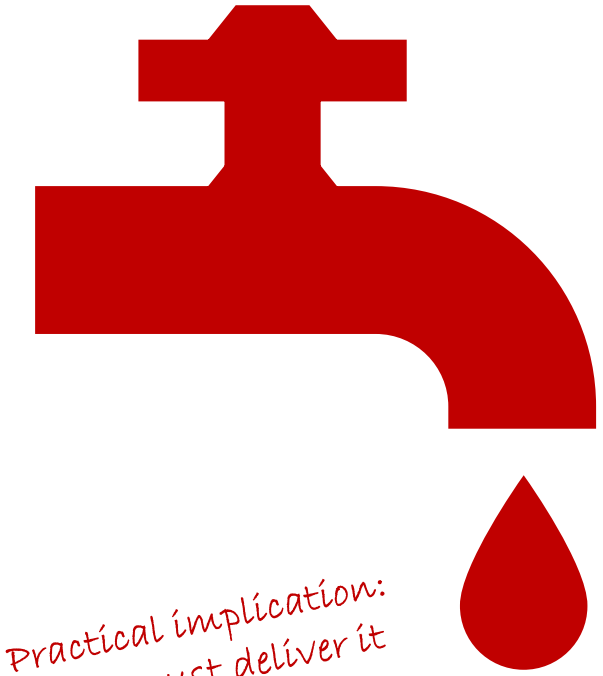
SELLER'S WATER DISCLOSURE



Practical implication: seller must deliver it unless the stated conditions are all true

1. Para 7 of TREC contracts*
2. Must provide unless (a)-(e) are all true
3. Buyer's Right to Terminate

Paragraph 7 (of the contract):

1) Buyer has received the Seller's Water Disclosure
2) Buyer has not received it and Seller will deliver it within ___ days
   - Delivered = buyer has 7 days to terminate for any reason and receive earnest money
   - Failure to deliver = buyer's right to terminate any time prior to closing and receive earnest money
3) Seller is not required to provide it because all 5 conditions are true

*not a part of the residential condominium contracts

Water notice not required because all 5 are true:

Seller not aware of:

a. WATER WELL (whether in use or not)
b. POND, LAKE, OR WATER TANK
c. CERTIFICATE OF ADJUDICATION, CERTIFIED FILING, OR PERMIT FOR SURFACE WATER RIGHTS (TCEQ)
d. GROUNDWATER RIGHTS SEVERED, SOLD, LEASED

-and-

e. WATER ONLY FROM CITY, MUD (or other special district), WSC, OR PWC (indicate water provider in blank)

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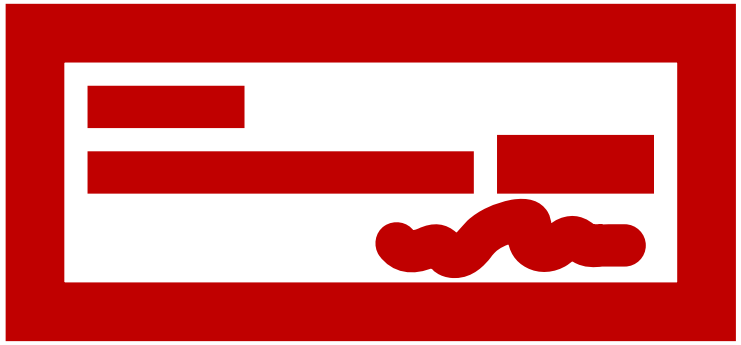
PARAGRAPH 12



Some of the changes include updates to:

1. Expenses (Para 12A) – does not include any brokerage compensation
2. Brokerage Compensation (Para 12B):
   - **12B(1)** = **Seller** can contribute to Buyer's brokerage compensation*
   - **12B(2)** = **Buyer** can contribute to Seller's brokerage compensation*

**Contributions from the other party apply to but do not change what the seller or buyer has agreed to pay their broker in their respective listing or buyer representation agreements*

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SELLER'S DISCLOSURE NOTICE



Some of the new disclosures & updates include:

- *Conservation easement**
- *Present insurance coverage**
- *Present windstorm insurance**
- *Unable to insure**
- *Private road ($)**
- *Above/under ground storage tank**
- *Aboveground storage tank ≥500 gal + petroleum/chemicals**
- *"Concrete Cancer" (TXR only)*
- *Previous inspections + evaluations updated (TXR only)*
- *Reminder to disclose all material facts added (TXR only)*
- *Security system provider added (TXR only)*

**directed by Sunset Advisory Commission*

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LISTING AGREEMENT



Some of the changes include:

1. Updates to Residential Listing Agreement Exclusive Right to Sell TXR 1101 include:
   - *Option to allow sharing of brokerage compensation removed from Para 5*
   - *Option for add'l compensation when buyer is unrepresented added to Para 5*
2. Amending listing agreements
   - *Each listing agreement now has its own amendment form (TXR 1404 is now only for amending the Exclusive Right to Sell Listing TXR 1101)*

REPRESENTATION AGREEMENTS



TXR 1501 & TXR 1507

Some of the changes include:

1. Reminder to describe the “Market Area” (Para 3C)
2. Clarification that the buyer can attend open houses & no representation showings (Para 6)
3. Intermediary compensation explained (Para 9 in TXR 1501, Para 8 in TXR 1507)
4. Limitation of liability added to TXR 1507 (Para 9)
5. Short form is now 2 pages (TXR 1507)

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ADDITIONAL UPDATES



Some of the additional updates include:

1. *NEW* Property Condition Statement (TXR 1421)
2. “Back-Up” Contract Amended Effective Date = date seller delivers the notice to buyer TREC 11-9 (TXR 1909) & TREC 62-0 (TXR 1913)
3. “Sight unseen” = property not physically viewed in person
4. HOA Addendum TREC 36-11 (TXR 1922) *(updates to A2, when buyer is responsible for obtaining the Subdivision Information)*

This includes a summary of *some* of the recent updates. For more information and a summary of *all changes* please refer to the Legal Updates page of the Texas REALTORS® website:
https://www.texasrealestate.com/members/legal-and-ethics/updates/

Still have questions? Contact the Legal Hotline and ask a Texas REALTORS® attorney. 512-480-8200 M-F 9-4

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Remember

JULY 1st

Mandatory date when all new versions of the TREC forms must be used

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THANK YOU!

Resources:

- Legal Hotline: M-F, 9am-4pm, 512-480-8200

Legal Updates Page

Legal FAQs

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