

Texas Real Estate Commission

Chapter 537, Professional Agreements and Standard Contracts

Rules Adopted at the August 1, 2011 Commission Meeting

Chapter 537 Professional Agreements and Standard Contracts

The Texas Real Estate Commission (TREC) adopts amendments to 22 TAC §537.20 concerning Standard Contract Form TREC No. 9-9 Unimproved Contract; §537.28 concerning Standard Contract Form TREC No. 20-10, One to Four Family Residential Contract (Resale); §537.30 concerning Standard Contract Form TREC No. 23-11, New Home Contract (Incomplete Construction); §537.31 concerning Standard Contract Form TREC No. 24-11, New Home Contract (Completed Construction); §537.32 concerning Standard Contract Form TREC No. 25-8, Farm and Ranch Contract; and §537.37 concerning Standard Contract Form TREC No. 30-9, Residential Condominium Contract, without changes to the proposed text as published in the May 27, 2011, issue of the *Texas Register* (36 TexReg 3260), but with changes to the contract forms adopted by reference. The difference between the contract forms as proposed and as finally adopted is that the Commission's address and website were changed on the forms.

The amendments propose to adopt on a permanent basis the elimination from the contracts of subparagraph 15B which requires a party to the contract to file suit for specific performance within 45 days of the closing date of the contract. This change was adopted on an emergency basis at the February meeting of the Texas Real Estate Commission effective March 1, 2011. The subparagraph may conflict with Section 16.070 of the Civil Practice and Remedies Code which precludes parties to a contract from agreeing to shorten the time period in which to file suit to less than 2 years. This change was adopted on an emergency basis to prevent confusion and possible litigation regarding a potential conflict between a contract provision and an existing statutory provision. The amendments also correct typographical errors in paragraph 7 in both TREC No. 9-9, Unimproved Contract and TREC No. 24-

11, New Home Contract (Completed Construction).

The reasoned justification for the amendment is the availability of current standardized contract forms which are consistent with the law.

No comments were received on the rule as proposed.

The amendments are adopted under Texas Occupations Code, §1101.151, which authorizes the Texas Real Estate Commission to make and enforce all rules and regulations necessary for the performance of its duties and to establish standards of conduct and ethics for its licensees in keeping with the purpose and intent of the Act to ensure compliance with the provisions of the Act.

The statutes affected by this adoption are Texas Occupations Code, Chapter 1101, Chapter 1102, 1303, and Texas Property Code, Chapter 221. No other statute, code or article is affected by the amendments.

§537.20. Standard Contract Form TREC No. 9-9. The Texas Real Estate Commission adopts by reference standard contract form TREC No. 9-9 approved by the Texas Real Estate Commission in 2011 for use in the sale of unimproved property where intended use is for one to four family residences. This document is published by and available from the Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188, www.trec.texas.gov.

§537.28. Standard Contract Form TREC No. 20-10. The Texas Real Estate Commission adopts by reference standard contract form TREC No. 20-10 approved by the Texas Real Estate Commission in 2011 for use in the resale of residential real estate. This document is published by and available from the Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188, www.trec.texas.gov.

§537.30. Standard Contract Form TREC No. 23-11. The Texas Real Estate Commission adopts by reference standard contract form TREC No. 23-11 approved by the Texas Real Estate Commission in 2011 for use in the sale of a new home where construction is incomplete. This document is published by and available from the Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188, www.trec.texas.gov.

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§537.31. Standard Contract Form TREC No. 24-11. The Texas Real Estate Commission adopts by reference standard contract form TREC No. 24-11 approved by the Texas Real Estate Commission in 2011 for use in the sale of a new home where construction is completed. This document is published by and available from the Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188, www.trec.texas.gov.

§537.32. Standard Contract Form TREC No. 25-8. The Texas Real Estate Commission adopts by reference standard contract form TREC No. 25-8 approved by the Texas Real Estate Commission in 2011 for use in the sale of a farm or ranch. This document is published by and available from the Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188, www.trec.texas.gov.

§537.37. Standard Contract Form TREC No. 30-9. The Texas Real Estate Commission adopts by reference standard contract form TREC No. 30-9 approved by the Texas Real Estate Commission in 2011 for use in the resale of a residential condominium unit. This document is published by and available from the Texas Real Estate Commission, P.O. Box 12188, Austin, Texas 78711-2188, www.trec.texas.gov.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August 4, 2011.

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Texas Real Estate Commission

Effective date: August 23, 2011