New Home Contract (Incomplete construction)

CONTRACTS | TXR 1603 | TREC 23-20

FITZ & CO. REAL ESTATE

New Home Contract (Incomplete construction)

TXR 1603 / TREC 23-20 | Residential Contracts | TREC effective 07/01/2026

What this form is for

Designed for sales of new homes when the property is under construction or is proposed. Not to be used for condominiums or in complex transactions. May be used for sales of new townhomes or patio homes under construction or proposed. Appropriate addenda may be attached. Not to be used for transactions known as "contracts for deed," "wraps," or "lease purchases."

Key sections and how to complete the form

Use the form in order. The sections below explain the main decisions, blanks, disclosures, or deadlines the form is designed to address. Complete the actual form from the transaction facts and the instructions printed on the current version.

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 q is q is not a party to a Natural Resource Lease. If Seller is a party to a Natural Resource Lease, check one of the following: q (1) Seller has delivered to Buyer a copy of all the Natural Resource Leases. q (2) Seller has not…

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. The earnest money and 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…

B. Termination Option

For nominal consideration, the receipt of which Seller acknowledges, and Buyer's agreement to pay the 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…

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 or if Buyer fails to deliver the 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.

A. Title Policy

Seller shall furnish to Buyer at qSeller’s qBuyer’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…

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…

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) q (1) At least days prior to the Closing Date, Seller, at Seller’s expense, shall provide a new survey to Buyer. q (2) At least days prior to the Closing Date, Buyer, at Buyer’s expense, may obtain a new survey. Buyer is deemed to…

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…

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…

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…

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…

Related forms and resources

This is a main contract. Review the related forms below by transaction fact—financing, leases, possession, testing, statutory notices, property associations, mineral rights, and other negotiated terms. Attach only what applies.

Third Party Financing Addendum

TXR 1901 · TREC 40-11

Review when: Third-party financing: use when the contract is contingent on the buyer obtaining the financing described in the addendum.

Sale of Other Property by Buyer

TXR 1908 · TREC 10-6

Review when: Sale of other property: review when the buyer’s purchase depends on receiving proceeds from another property sale.

Addendum Concerning Right to Terminate Due to Lender’s Appraisal

TXR 1948 · TREC 49-1

Review when: Appraisal termination right: review only with the Third Party Financing Addendum and not for FHA/VA financing.

Seller Financing Addendum

TXR 1914 · TREC 26-8

Review when: Seller financing: use when the seller will finance part of the purchase price.

Addendum For Section 1031 Exchange

TXR 1956 · TREC 60-0

Review when: Section 1031 exchange: review when either party intends to use the transaction as part of a like-kind exchange.

Loan Assumption Addendum

TXR 1919 · TREC 41-3

Review when: Loan assumption: review when the buyer will assume an existing loan.

Release of Liability on Assumed Loan and/or Restoration of Seller's VA Entitlement

TXR 1920 · TREC 12-3

Review when: Assumed loan/VA entitlement: may be used with an assumption when release of seller liability and/or restoration of VA entitlement is part of the transaction.

Addendum Regarding Residential Leases

TXR 1953 · TREC 51-1

Review when: Existing residential leases: review when tenants have rights under residential leases affecting the property.

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Addendum Regarding Fixture Leases

TXR 1954 · TREC 52-1

Review when: Fixture leases: review when leased fixtures such as solar panels, propane tanks, water softeners, or security systems affect the property.

Buyer's Temporary Residential Lease

TXR 1911 · TREC 16-7

Review when: Buyer temporary lease: review if the buyer will occupy the property before closing for the period allowed by the form.

Seller's Temporary Residential Lease

TXR 1910 · TREC 15-7

Review when: Seller temporary lease: review if the seller will remain in the property after closing for the period allowed by the form.

Addendum for Authorizing Hydrostatic Testing

TXR 1949 · TREC 48-1

Review when: Hydrostatic testing: use when the seller separately authorizes a hydrostatic plumbing test and the parties allocate testing risk.

Environmental Assessment, Threatened or Endangered Species

TXR 1917 · TREC 28-2

Review when: Environmental/wetlands: review when the buyer wants the additional environmental assessment rights provided by the addendum.

Addendum For Property In A Propane Gas System Service Area

TXR 2514 · TREC 47-0

Review when: Propane service area: review when the property is in a propane gas system service area.

Addendum for Property Located Seaward of the Gulf Intracoastal Waterway

TXR 1916 · TREC 34-4

Review when: Seaward of GIWW: review for property located seaward of the Gulf Intracoastal Waterway.

Addendum for Property Subject to Mandatory Membership in a Property Owners Association

TXR 1922 · TREC 36-11

Review when: Mandatory POA membership: review when the property is subject to mandatory membership in a property owners association; not for condominiums.

Addendum for "Back-up" Contract

TXR 1909 · TREC 11-9

Review when: Back-up contract: use when this contract will be in a back-up position behind an existing first contract.

Addendum for Oil, Gas, and Other Minerals

TXR 1905 · TREC 44-3

Review when: Mineral reservation: use when the seller intends to reserve all or part of the mineral estate.

Use the current official form

This page explains the form; complete the current official TREC version for the transaction. Form shown in this resource: **TREC 23-20**.

Need further assistance?

For transaction-specific questions, contact your broker or **Broker Rochelle Fitzgerald** at Fitz & Co. Real Estate.

Educational resource

For educational purposes only. Agents should verify current forms and consult with their broker when needed.

Fit & Co. Texas Resource Center | Educational resource. Use the current form version for the transaction.