



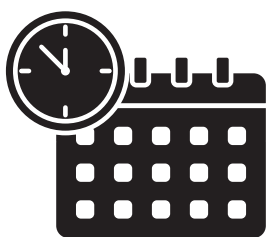
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CHANGES TO THE DELIVERY OF THE OPTION FEE TREC Contract 20-15



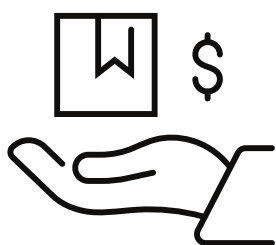
Under the revised contract forms, which become mandatory April 1, 2021, a buyer is required to deliver the option fee to the Title Company, **NOT** to the seller.



The buyer must deliver the option fee to the title company within **THREE (3)** days after the effective date of the contract. Note, however, that if the last day to deliver the option fee falls on a Saturday, Sunday, or legal holiday, the time to deliver is extended until the end of the next day that is not a Saturday, Sunday, or legal holiday.



The option fee and earnest money may be paid separately or combined in a single payment. The amount delivered will be applied first to the option fee then to the earnest money. Any amount of funds remaining after that will be applied to any additional earnest money.



Under the revised forms, the buyer authorizes the escrow agent to release and deliver the option fee to the seller at any time without further notice to or consent from the buyer, and releases escrow agent from liability for delivery of the option fee to the seller. The option fee will be credited to the sales price at closing. Note, however, that any disbursement may be conditioned on the collection of good funds acceptable to the escrow agent. Title companies, which are regulated by the Texas Department of insurance, must comply with "good funds" rules before disbursing option fees.



Title Companies acceptable forms of payment include cashiers or bank check, personal check, or wire transfer

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