

Stay Out of Trouble

Complete Instructor Script & Presentation Outline

Texas Real Estate Training

***How to Use This Script** This document is organized section by section to mirror the companion slide deck and training manual. Each section includes the corresponding **slide title**, the **learning objective**, and a **full instructor script** written in a conversational, direct style. You may present the script verbatim or use it as a guide for your own delivery. Key regulatory references (TREC rules, TRELA statutes, DTPA) are highlighted throughout so you can speak to them with confidence.*

Course Overview & Introduction

Slide: Title Slide — *Stay Out of Trouble* **Slide:** What This Course Is About **Time Estimate:** 5–8 minutes

Objective: Set the tone. This is not a boring compliance class — it is a survival guide for making money and keeping it.

Script: “Welcome to *Stay Out of Trouble*. Let me tell you right up front what this class is about. This is a practical survival guide for Texas real estate agents who want to make money, protect their clients, protect their license, and avoid creating unnecessary problems.

I am not here to scare you out of the business. I am here to teach you how to operate like a professional. There is a big difference between those two things.

Real estate success is like navigating deeper water. When you are brand new and doing one or two transactions, you are still close to the shore. The water is shallow. You can still mess up, but the exposure is smaller. The further you go — the more transactions

you close, the more clients you represent, the more listings you carry, the more advertising you put out there — the deeper the water gets. And the deeper the water gets, the more treacherous it becomes.

More transactions mean more opportunity. That is the good news. More transactions also mean more opportunity for issues. More people. More emotions. More deadlines. More documents. More money. More risk.

Real estate is like playing football in a cow pasture. It can be a lot of fun, but if you do not watch your step, you are going to wind up in a lot of mess.

The goal today is to teach you how to operate like a professional, protect your clients, protect your license, protect your broker, protect your reputation, and protect your income. Let us get started.”

Part One: Agency, Disclosures, Contracts, and Representation

Slide: Part One Header **Script:** “Part One covers the foundational rules that protect you and your clients — agency, disclosures, contracts, and representation. These are the areas where most agents create problems for themselves without even realizing it.”

Section 1: The Real Risk Landscape

Slide: You Answer to More Than Just Your Client **Time Estimate:** 5–7 minutes

Objective: Wake the room up to the reality of regulatory and legal exposure in Texas.

Script: “Real estate agents sometimes think the only person they need to worry about is the client. That is simply not true. In this business, there are a lot of people and agencies who can create problems for you if you are careless.

You have the Texas Real Estate Commission — TREC. You have the Texas REALTORS forms and standards. You have the REALTOR Code of Ethics. You have the Texas Deceptive Trade Practices Act, which we call the DTPA. You have the Consumer Financial Protection Bureau. You have RESPA. You have Fair Housing. You have the

Attorney General. You have local authorities. You have lawsuits. You even have situations that can become criminal if money, fraud, threats, or protected classes are involved.

That means you are not just opening doors and writing offers. You are operating in a regulated, high-liability environment. Do not confuse activity with professionalism. You can be very busy and very reckless at the same time. You can sell a lot and still be dangerous. You can have charisma, confidence, and hustle, and still not know enough to protect your client or yourself.

The agents who last in this business are not just the ones who can sell. They are the ones who can sell, document, communicate, follow rules, manage expectations, and stay calm when things get sideways.”

Discussion Prompt: *Ask the class: ‘What regulatory body or law have you personally encountered in a transaction?’ This opens a brief discussion and connects the content to their experience.*

Section 2: Your First Line of Defense

Slide: Three Habits That Prevent Most Problems **Time Estimate:** 5–7 minutes

Objective: Establish the three core habits of a professional agent.

Script: “How do we protect ourselves? We start with the basics: Prioritize. Schedule. Set expectations. Those three things sound simple, but they solve a lot of problems. Prioritize what matters. Schedule what must happen. Set expectations before emotions get involved.

Then we build repeatable, duplicatable systems. This business is too dangerous to run from memory, mood, or panic. You need checklists. You need timelines. A professional does not wake up every morning and reinvent the business. A professional follows a system.

The next protection is knowing your role. Stay in your lane. You are not the attorney. You are not the lender. You are not the inspector. You are not the appraiser. You are not the contractor. You are the real estate agent. Your job is to advise within the scope of your license, explain process, explain forms, help your client make informed decisions, communicate clearly, negotiate properly, and refer them to the right professional when something is outside your lane.

And then there is the big one. If you remember nothing else today, remember this: **document everything**. Conversations with clients. Conversations with other agents. Instructions. Warnings. Deadlines. Recommendations. Repairs. Offers. Counteroffers. Delivery of funds. Buyer rep conversations. Commission conversations. Everything.

If it is not in writing, it did not happen. And if it is not clear in writing, it can be twisted later.”

Section 3: Beware of People

Slide: Most Trouble Comes From People, Not Forms **Time Estimate:** 4–6 minutes

Objective: Teach agents how to handle emotional situations and difficult people.

Script: “A lot of your trouble in real estate will not come from the forms. It will come from people. Other agents can create problems. Clients can create problems. Angry clients can create problems. Industry watchdogs can create problems. Competitors can create problems. People you made angry can create problems. Your old broker can create problems.

Welcome to real estate, where everybody has an opinion and some people have way too much free time. This is why you cannot afford to be casual, emotional, sloppy, or cocky.

When tension rises, your job is to become the calmest person in the room. No yelling. No confusion. No emotional emails. No sarcastic texts. No little side comments that feel good for ten seconds and cost you three weeks of drama. Be the calm voice of reason.

When you speak with another agent and something important is discussed, follow up with an email. When your client gives you instructions, confirm it in writing. When someone makes a claim, document it. When someone gets emotional, slow down and write clearly. You do not have to win every argument. You need to protect the file, protect your client, and protect yourself.”

Section 4: Advertising and Public Representation (TREC Rules)

Slide: Advertising Is Regulated Communication **Time Estimate:** 6–8 minutes

Objective: Clarify TREC advertising rules, specifically regarding team names and broker visibility.

Script: “Advertising is where a lot of agents get careless because they think advertising is just marketing. It is not. Advertising is regulated communication to the public. Every social media post, paid ad, website, team name, sign, flyer, business card, and email signature can become an advertising issue.

Texas law gives TREC the ability to discipline a license holder for publishing an advertisement that misleads the public, creates a misleading impression, or fails to identify the person causing the advertisement as a licensed broker or agent.

Here are the specific rules you need to know. First, all advertisements must include your name or team name. Second, the broker’s name must appear in at least half the size of the largest contact information in the ad. Third, team names must end in ‘Team’ or ‘Group.’ You cannot use terms like ‘Company,’ ‘Brokerage,’ or ‘Associates’ that imply you are independent from your sponsoring broker. Fourth, your social media profiles used for business must include links to the IABS form and the Consumer Protection Notice in a readily noticeable place.

When you change brokerages, this becomes especially important. Your IABS, contracts, listing agreements, website, social media profiles, yard signs, business cards, flyers, templates, email signatures, and marketing platforms all need to be updated. Using the name of a previous brokerage can be considered misleading.”

Key Point to Emphasize: *Write on the board or display: ‘Broker name = at least HALF the size of the largest contact info.’ This is one of the most commonly violated rules.*

Section 5: MLS and Property Misrepresentation (DTPA)

Slide: The MLS Is Not a Creative Writing Contest **Time Estimate:** 5–7 minutes

Objective: Warn agents about the dangers of the DTPA and misrepresenting properties.

Script: “The MLS is not a creative writing contest. The MLS is a representation to other agents and the public. Common misrepresentations include schools, material facts, condition, utility availability, and items included in the sale.

Do not guess. Do not assume. Do not copy old information without verifying it. Do not say something just because the seller said it if you have reason to question it. Do not describe something as updated, permitted, remodeled, replaced, included, or available unless you know what you are talking about.

Now let us talk about the Texas Deceptive Trade Practices Act — the DTPA. Real estate agents can be sued under the DTPA for false, misleading, or deceptive acts, or for failing to disclose material facts known to the agent if the failure was intended to induce the consumer into the transaction.

If the MLS says something is included, but it is not clearly in the contract, you can have a problem. If a buyer expects something because of the listing and it disappears before closing, you can have a problem. If school information is wrong and the buyer relied on it, you can have a problem.

The safe habit is simple: verify what you can, disclose what you know, and put agreements in writing. If the MLS says the refrigerator stays, do not rely on the MLS. Put it on a Non-Realty Items Addendum if the buyer expects it to convey.”

Section 6: Showings, Disclosures, and Cameras

Slide: Even Showings Can Create Problems **Time Estimate:** 5–7 minutes

Objective: Remind agents about showing etiquette, cameras, and the IABS form requirement.

Script: “Showing property sounds simple. Schedule it, show it, move on. But even showings can create issues if agents get careless.

Schedule showings properly, even when a property is vacant or uses a showing service. Do not enter property without permission. Do not let buyers wander around unattended. Do not take pictures or video unless you have permission. And do not assume nobody is listening. Security cameras may be in place. Audio may be in place. People may hear what you say in the house. Do not criticize the house out loud. Do not make claims about the seller. Do not say things you would be embarrassed to hear played back in front of your broker, the seller, or an attorney.

Now, the IABS form. You have a statutory requirement to provide the Information About Brokerage Services form at the first substantive communication regarding a specific property. Your business website homepage must also link to the IABS form,

labeled 'Texas Real Estate Commission Information About Brokerage Services,' in at least 10-point font.

On disclosures: material defects, known issues, permit concerns, and anything that could materially affect the buyer should be treated seriously. You have a duty under TRELA to disclose any known material defects, regardless of what the seller puts on the Seller's Disclosure Notice. When in doubt, disclose or seek guidance.

If you have an ownership interest, disclose. If there is a relationship that could matter, disclose. Disclose, disclose, disclose. Then document, document, document.”

Section 7: International Challenges and Fraud Awareness

Slide: International Deals Bring Extra Risk **Time Estimate:** 4–5 minutes

Objective: Highlight the risks of international transactions and unusual money movement.

Script: “International transactions can be wonderful, but they bring additional complications. Cultural differences, different expectations about commissions, foreign tax issues, money movement, FIRPTA — the Foreign Investment in Real Property Tax Act — and fraud risk all matter.

Do not get involved in anything that feels like a scam. Do not move money around outside proper channels. Do not advise on tax holdbacks unless you are qualified. Do not pretend to understand something you do not understand.

This is where you slow down and involve the right professionals: title, lender, broker, attorney, CPA, or whoever is appropriate. Any time there is unusual money movement, foreign ownership, pressure to bypass normal channels, odd signatures, vague identities, or a request to handle funds outside title — stop. Ask questions. Get guidance.”

Section 8: Offers, Counters, and Written Agreements

Slide: Submit Every Offer. Get Everything in Writing. **Time Estimate:** 5–6 minutes

Objective: Reinforce the rule that all offers must be submitted and all agreements must be in writing.

Script: “Submit every offer. Do not hold offers. Do not decide an offer is too low to present. Do not decide a seller will not like it. Do not play games with timing unless you are following lawful instructions from the client and your broker’s guidance.

The best practice is to ask your seller in writing how they want offers submitted and when they want to see them. If they want offers immediately, submit immediately. If they have lawful written instructions about a deadline or review process, follow those instructions.

Get offers in writing on proper forms whenever possible. Verbal offers create confusion. Counter in writing. Get signatures as quickly as possible. Do not rely on text messages and casual conversations to carry the weight of a real estate contract.

Any agreement between principals needs to be in writing. If something changes after execution, use an amendment. Do not change the original contract. Do not scratch things out later and pretend that is fine. Do it right.”

Section 9: Investors, Flips, and High-Risk Deals

Slide: Fresh Paint Is Not Due Diligence **Time Estimate:** 4–5 minutes

Objective: Warn agents about the hidden dangers of flipped properties.

Script: “Investors can be great clients. They can also create major risk if they are inexperienced, overconfident, underfunded, or careless.

When dealing with investors, especially flips, make sure your buyer understands the need for exhaustive inspections. Check permit status. Pay attention to mortgage flip timelines. Be aware of unusual activity. Document everything. Trust no one blindly.

Flips can look pretty and still hide major problems. Fresh paint is not due diligence. New flooring is not due diligence. A cute kitchen is not due diligence. If the property has been remodeled, the buyer needs to investigate permits, workmanship, systems, foundation, roof, plumbing, electrical, HVAC, and everything else that matters. Do not let granite countertops hypnotize your buyer into ignoring the foundation.”

Section 10: Earnest Money, Option Fee, and Money Expectations

Slide: Earnest Money Rules Every Agent Must Know **Time Estimate:** 6–8 minutes

Objective: Clarify the 3-day delivery rule for earnest money and option fees.

Script: “Earnest money creates a lot of drama because many clients do not really understand how it works. Explain it clearly.

Under current TREC contracts, both the earnest money and the option fee must be delivered to the escrow agent — the title company, not the seller — within 3 days after the effective date. If the 3rd day falls on a Saturday, Sunday, or legal holiday, the deadline is extended to the next day that is not a weekend or holiday. Missing this deadline can result in the buyer not having the unrestricted right to terminate under the option period.

We can ask for earnest money to be released. We cannot demand it like we are the judge. We cannot fight for it as if we are attorneys. Right or wrong, the release of earnest money is ultimately between the principals, and if there is a dispute, legal counsel may be needed. Set this expectation before things go bad. Do not wait until everyone is angry and then try to explain the rules.”

Key Point to Emphasize: *Write on the board: ‘3 days from effective date → escrow agent (title company).’ This is one of the most commonly misunderstood rules.*

Section 11: Buyer Representation (New 2026 TRELMA Mandates)

Slide: New Texas Law: Written Agreement Before You Show Property **Time Estimate:** 8–10 minutes

Objective: Explain the new 2026 TRELMA requirements for buyer representation agreements.

Script: “Buyer representation needs to be handled before you go to work. Do not spend weeks showing property, writing offers, negotiating, and advising without properly explaining the relationship and getting the agreement signed.

Effective January 1, 2026, Texas law — specifically TRELMA Sections 1101.562 and 1101.563 — requires a written agreement before showing any residential property or presenting an offer. This is not optional. This is the law.

There are two types of agreements allowed. First, a full Representation Agreement, where you owe full duties to the buyer as a client. Second, a Non-Representation Showing-Only Agreement, used for the sole purpose of showing property without

representing the buyer. These must have a termination date of no more than 14 days and must be non-exclusive.

All agreements must detail the services provided, exclusivity, compensation, and include a conspicuous disclosure that broker compensation is fully negotiable and not set by law.

Open houses are also affected. If you are hosting an open house and are NOT a member of the listing broker's office, you must provide the IABS and enter into a written agreement with prospective buyers before they view the property.

The client needs to understand what they are signing. They need to understand the term. They need to understand your role. They need to understand commission obligations. They need to understand what happens if the seller or listing broker does not pay the full amount expected. E-signing documents without explanation is not good enough. Slow down. Explain it. Emphasize the important parts. Then document that you explained it.”

Section 12: Best Interest Complaints

Slide: “I Don't Think You're Looking Out for My Best Interest” **Time Estimate:** 4–5 minutes

Objective: Teach agents how to handle the most dangerous client complaint.

Script: “There is one statement that should make every agent stop immediately: ‘I do not think you are looking out for my best interest.’ Another version is: ‘Who do you work for, me or them?’

When you hear that, do not get defensive. Do not argue. Do not try to talk over the client. Stop. Evaluate. Regroup. Move forward carefully. Document.

That statement is a huge red flag. It tells you the client either does not understand what is happening, does not trust you, feels ignored, or believes your loyalty is divided. Whether they are right or wrong, you have a problem that needs to be addressed immediately.

The professional response is to slow everything down, clarify the client's concerns, restate your role, document the conversation, and involve your broker if needed.”

Section 13: Inspections and Repair Amendments

Slide: Don't Go Outside Your Scope on Inspections **Time Estimate:** 5–6 minutes

Objective: Keep agents from acting like inspectors or contractors.

Script: “Inspections are another dangerous area because agents love to talk too much.

Do not go outside your scope. Do not interpret the inspection report like you are the inspector. Do not explain repairs like you are the contractor. Do not discourage repair requests because you want the deal to close. Do not tell the buyer what is or is not serious if you are not qualified.

Your job is to help the buyer understand the process, encourage them to speak with the inspector and appropriate professionals, help them decide what they want to request, and then put that request in proper form.

Be very careful with the phrase, ‘I would.’ Agents say, ‘I would not worry about that. I would not ask for that. I would take the house anyway. I would not blow up the deal over that.’ That may feel helpful, but it can create problems.

A better approach is to say: ‘That is your decision, and I recommend you speak with the inspector or the appropriate professional so you are comfortable with your choice. Once you decide what you want to request, I can help put that request in writing.’”

Section 14: Possession of Process and Vendor Language

Slide: Stop Saying “My Lender” and “My Inspector” **Time Estimate:** 3–4 minutes

Objective: Correct dangerous vocabulary habits regarding vendors.

Script: “This one may sound small, but language matters. Quit saying ‘my lender,’ ‘my inspector,’ ‘my contractor,’ ‘my title company,’ ‘my photographer.’ It can create the impression that you control the process, control the vendor, or are responsible for that person’s work.

Instead, say ‘a lender I know,’ ‘an inspector some clients have used,’ ‘a contractor option,’ ‘a title company involved in the transaction,’ or ‘here are a few names you may want to consider.’

You can recommend resources, depending on your brokerage policy, but do not make it sound like the vendor is an extension of you or that you guarantee their performance.”

Section 15: Over-Servicing and Staying in Your Lane

Slide: Over-Servicing and Staying in Your Lane **Time Estimate:** 4–5 minutes

Objective: Define the boundaries of good service versus dangerous over-servicing.

Script: “Agents get in trouble when they try to be too helpful in the wrong way. This is called over-servicing.

Mortgage advice, title advice, inspection advice, construction advice, lending money, mowing grass, maintaining the home, scheduling repairs, negotiating for buyers after closing, handling things outside the scope of a REALTOR — all of that can create problems.

Good service does not mean doing everything. Good service means doing your job extremely well and knowing when to bring in the right professional. You are not less valuable because you refuse to do things outside your lane. You are more valuable because you know how to protect the client and the transaction.”

Part Two: Conduct, Money, Fair Housing, and Transaction Challenges

Slide: Part Two Header **Script:** “Part Two covers the rules that keep you licensed and out of court — professional conduct, money handling, Fair Housing, and the most common transaction challenges. These are the areas where agents lose their licenses.”

Section 16: Professional Conduct and Criminal History Reporting

Slide: Professional Means Professional — Every Single Time **Time Estimate:** 4–5 minutes

Objective: Address professional behavior and the TREC 30-day reporting rule.

Script: “Let me say this plainly: leave the freak flag at home. Consenting adults in a free country can do what they want in their personal lives. That does not mean you bring inappropriate behavior into real estate activities. No inappropriate behavior in listings. No inappropriate relationships with clients or prospects. No comments, jokes, messages, pictures, or conduct that can get you fined, fired, sued, humiliated, assaulted, or criminally charged.

Professional means professional. You are in homes. You are around families. You are handling sensitive information. You are trusted with access, money, and major life decisions. Act like it.

On criminal history: TREC rules require license holders to notify the Commission no later than the 30th day after the final conviction or the entry of a plea of guilty or nolo contendere to a felony or a criminal offense involving fraud. Failing to report this within the 30-day window is a separate violation that can lead to further disciplinary action.”

Section 17: Other Agents’ Listings

Slide: Respect Agency Relationships and Property Access **Time Estimate:** 3–4 minutes

Objective: Establish clear boundaries regarding other agents’ listings.

Script: “Do not knock on the door of another agent’s listing and try to talk to the seller. Do not enter a listing without permission. Do not advertise another agent’s listing without permission and proper attribution.

Respect agency relationships. Respect property access. Respect the listing agent’s role. If you need information, go through the proper channels. This is not just about manners. It is about ethics, rules, and staying out of trouble.”

Section 18: Loan Fraud, Title Company, and Side Payments

Slide: When Money Gets Weird — Stop **Time Estimate:** 5–6 minutes

Objective: Warn against side deals and mishandling of funds.

Script: “Money is one of the fastest ways to turn a messy file into a serious problem.

The lender sets the rules. All funds related to the transaction — including reimbursements, purchases, rebates from commission, credits, concessions, and other financial arrangements — need to be disclosed and handled through title as appropriate.

Any funds given outside of closing can create loan fraud concerns. Do not do side deals. Do not quietly reimburse someone. Do not let clients exchange money under the table. Do not receive money directly. All commissions must go through the broker. You cannot charge clients on the side. You cannot get paid on the side.

If money starts moving in strange ways, stop and call your broker. When money gets weird, stop. Do not freestyle your way into a fraud problem.”

Section 19: Wire Fraud and Cybersecurity

Slide: Wire Fraud Is One of the Biggest Risks in Real Estate Today **Time Estimate:** 6–8 minutes

Objective: Educate agents on wire fraud prevention and their liability.

Script: “Wire fraud is one of the most significant liability risks in real estate today. Hackers actively monitor real estate transactions to intercept wire transfers, often by spoofing emails from title companies, agents, or lenders. They make the email look exactly like it came from a legitimate source. Then they change the wire instructions. And the money disappears.

Here are the best practices every agent must follow. Never email wire instructions. Always verify: instruct your clients to verify any wire instructions by calling a known, trusted phone number — not the number listed in the email with the instructions. Educate early: warn your clients about the risk of wire fraud at the very beginning of the transaction, not the day before closing. Use secure channels: avoid sending sensitive financial information over unencrypted email.

If a client wires money to a fraudulent account, it is often gone forever. And agents can be sued for negligence if they failed to warn the client or secure their communications. This is not a small issue. This is a business-ending issue if you are not careful.”

Section 20: Unlicensed Assistants

Slide: Unlicensed Assistants Cannot Practice Real Estate **Time Estimate:** 3–4 minutes

Objective: Clarify what unlicensed assistants can and cannot do.

Script: “Unlicensed assistants can be helpful, but they cannot practice real estate without a license. They should not talk to clients about the contract. They should not prospect. They should not set appointments in a way that requires licensed activity. They should not hold open houses as if they are the agent. They should not door knock for real estate business. They should not negotiate, advise, explain contract terms, or perform activities that require a license.

If you use an assistant, make sure you and your broker are clear on what that person can and cannot do. One mistake by an unlicensed assistant is your problem.”

Section 21: Fair Housing

Slide: Fair Housing Is Not Optional — Ever **Time Estimate:** 5–7 minutes

Objective: Reinforce the absolute necessity of Fair Housing compliance.

Script: “Fair Housing is not optional, and it is not something to play with. The Fair Housing Act prohibits discrimination in housing based on race, color, national origin, religion, sex, familial status, and disability.

Agents get themselves in trouble with steering, comments about neighborhoods, assumptions about who belongs where, advertising language, refusal to serve people, different treatment, and casual statements they think are harmless.

Do not make comments about the kind of people who live somewhere. Do not tell buyers where they should or should not live based on protected characteristics. Do not use coded language in advertising. Do not treat people differently. Do not answer questions you should not answer. Direct clients to objective resources where appropriate.

Fair Housing mistakes can cost money, reputation, and your license. Treat this seriously every single time.”

Section 22: Why Agents Get Sued

Slide: Most Lawsuits Come From Predictable Breakdowns **Time Estimate:** 5–6 minutes

Objective: Identify the common causes of lawsuits and how to avoid them.

Script: “Most lawsuits and complaints do not come out of nowhere. They usually come from a breakdown in disclosure, duty, competence, communication, contracts, data security, or expectations.

Common reasons include: failing to disclose a property defect — which is a DTPA violation; breach of duty; representing clients in unfamiliar territory without enough competence; giving legal advice; misleading clients — another DTPA violation; breach of contract; failing to keep client data safe; and negligence.

If you see something, say something. If you do not know, do not pretend. If something is outside your expertise, refer out, partner with someone more competent, or seek guidance. If legal advice is needed, tell the client to speak with an attorney.

Negligence often looks like small things: missed deadlines, failure to communicate, failure to follow up, failure to read the contract, failure to check details. Small things become big things when money and emotions are involved.”

Section 23: Rule #1 — Clean Contracts Prevent Challenges

Slide: Sloppy Contracts Cost You Leverage and Credibility **Time Estimate:** 5–7 minutes

Objective: Emphasize the importance of clean, accurate contracts.

Script: “A lot of transaction challenges are self-inflicted. We cause our own challenges through sloppy work. Wrong names. Wrong property information. Missing dates. Blank fields. Too many corrections. Wrong boxes checked. No buyer rep agreement. Bad communication. Failure to explain deadlines.

When your paperwork is sloppy, you lose leverage. You look inexperienced. You look lazy. You look like you do not know what you are doing. The other side may think you are easy to push around.

On the other hand, when your contract is clean, accurate, complete, and professional, you create a different impression. You look prepared. You look by-the-book. You look like someone who knows what they are doing. That strengthens your negotiating position.

The number one rule in preventing contract challenges is simple: write clean, complete, accurate contracts. That sounds basic because it is basic. But basic does not mean easy. It takes attention. It takes discipline. It takes slowing down. It takes reviewing your work before you send it.”

Clean Contract Checklist	
Correct legal names	All blanks completed
Correct property address	Accurate dates and deadlines
All boxes checked correctly	Correct addenda attached
Signatures and initials in place	No unauthorized changes after execution

Section 24: Rule #2 — Make the Other Side an Ally

Slide: You Can Be Firm Without Being Nasty **Time Estimate:** 4–5 minutes

Objective: Teach agents how to negotiate effectively without creating enemies.

Script: “The second rule in overcoming transaction challenges is to make the other side an ally whenever possible.

Your objective is to serve your client’s best interest. That does not require you to be rude, hostile, arrogant, or difficult. In fact, a lot of agents hurt their own client because they make the other side hate dealing with them.

You want to create win-win solutions when possible. You want to make a friend, not an enemy. You can be firm without being nasty. You can advocate without being obnoxious. You can protect your client without turning every issue into a fight.

Every fight is expensive. Every fight creates risk. Every fight burns time, energy, and goodwill. Some fights are necessary. Many are not. Calm, clear, documented communication can keep a challenge from becoming a disaster.”

Section 25: Rule #3 — Explain and Emphasize

Slide: Don't Let Clients Say "I Didn't Know" **Time Estimate:** 5–7 minutes

Objective: Stress the importance of explaining documents before signing.

Script: "The third rule is to explain and emphasize important terms before the client is upset. E-signing documents without explanation is not good. Do not throw a buyer rep agreement, listing agreement, contract, finance addendum, or repair amendment into an e-sign platform and assume the client understands it. You need to explain the parts that are most likely to create problems later.

Explain buyer representation — if they do not use you or if compensation is not covered, they may be responsible for commission depending on the agreement. Explain listing agreements — early termination may not automatically eliminate commission obligations. Explain the option fee delivery deadline — 3 days to the escrow agent. Explain earnest money — termination does not automatically guarantee a refund. Explain third-party financing — missing financing deadlines can put earnest money at risk.

Do not make room for a client to say, 'I did not know.' Your future self will thank you for the extra five minutes you spend explaining something today."

Section 26: Everything in Writing

Slide: If It's Not in Writing, It Didn't Happen **Time Estimate:** 4–5 minutes

Objective: Reiterate the golden rule of documentation.

Script: "Everything in writing. Everything in writing. Everything in writing.

If the MLS shows an item included, get it on the proper addendum. If option fee delivery is not going directly where expected, get delivery instructions in writing. If someone makes a verbal offer, try to put it in contract form with buyer signatures. If principals agree to something, use the proper written form — such as an amendment when appropriate.

Do not trust text messages and emails to replace the contract when an amendment is needed. Do not rely on friendly verbal agreements. Friendly people get unfriendly when money is involved.

Commission and bonuses should be clear as soon as possible. Do not leave compensation issues vague. Vague money creates ugly conversations.”

Section 27: Pay Attention to Timelines

Slide: Time Is of the Essence — The Clock Doesn’t Wait for You **Time Estimate:** 5–6 minutes

Objective: Highlight the critical nature of contract deadlines.

Script: “Time is of the essence. Contract timelines matter. The clock starts ticking upon execution — not when you get around to reading the contract, not when the buyer remembers, not when the title company reminds you.

Weekends and holidays count unless the contract says otherwise. You need to understand the specific contract and deadlines involved.

Pay attention to earnest money and option fee delivery, survey deadlines, title commitment objections, seller disclosure, finance addendum, HOA docs, and closing. Missed deadlines are one of the easiest ways to turn a normal file into a problem file.”

Critical Deadline	What to Watch
Earnest money & option fee	3 days from effective date to escrow agent
Survey deadline	Per contract paragraph 6C
Title commitment objection	Per contract paragraph 6D
Finance addendum	Per Third Party Financing Addendum
Closing date	Per contract paragraph 9

Section 28: Contract Errors That Bite You Later (and 2025 Updates)

Slide: 2025 TREC Contract Changes You Must Know **Time Estimate:** 6–8 minutes

Objective: Review common contract errors and the January 2025 TREC updates.

Script: “Contract errors have a way of waiting until the worst possible time to show up. A blank field may seem harmless when everyone is excited. A missing initial may

seem minor when the offer gets accepted. A vague special provision may seem clever until people disagree about what it means.

Avoid using Special Provisions whenever possible. Some agents act like they went to law school because they can type a sentence into a blank space. Be careful. Special Provisions is not your creative writing section. If there is a promulgated form or proper addendum, use it. If legal language is needed, refer to an attorney.

Make sure all pages and addenda are initialed when required. After execution, do not change the original contract. Use an amendment.

Now, the mandatory contract changes effective January 3, 2025. There are two key updates you need to know. First, Paragraph 12 — Broker Compensation. This clarifies that each party pays the brokerage fees they agreed to pay, and allows for a specific seller contribution to the buyer's brokerage fees. Second, Paragraph 6C — Surveys. This includes the option to provide a T-47.1 Declaration, which does not need to be notarized, in lieu of the T-47 Affidavit when the Seller furnishes an existing survey. These are mandatory changes. Make sure you are using the correct, updated forms.”

Section 29: Competency and Article 11

Slide: Don't Pretend to Know What You Don't Know **Time Estimate:** 4–5 minutes

Objective: Explain the ethical requirement of competency under the REALTOR Code of Ethics.

Script: “The REALTOR Code of Ethics Article 11 is very clear: REALTORS should not provide specialized professional services outside their field of competence unless they engage assistance from someone competent or disclose the facts to the client.

In plain English, do not pretend you know what you are doing when you do not.

If you are showing and selling properties in an area you do not know, take extra precautions and do your research first. If you are dealing with property type, market, financing structure, contract issue, or legal question outside your knowledge, refer out for a fee, partner with someone more competent, or get broker guidance.

There is no shame in getting help. There is shame in harming a client because your ego would not let you admit you needed help.”

Section 30: The Goal Is to Be an Exemplary Agent

Slide: Average Is Crowded. Be Exemplary. **Time Estimate:** 5–7 minutes

Objective: Inspire agents to elevate their standards and focus on primary functions.

Script: “The goal is not to be average. Average is crowded. Average is replaceable. Average is dangerous.”

With discount brokers, online platforms, AI tools, and more consumer choices than ever, good customer service is not enough to set you apart. Good service is expected. What sets you apart is knowledge, professionalism, communication, consistency, and the ability to create an amazing client experience.

You cannot be an exemplary agent if you are lacking in knowledge. And that is actually good news. Because the trend in the industry is less than stellar. That means it is easy to stand out if you are willing to study, practice, learn the contract, understand the market, communicate clearly, and operate with discipline.

Let us close with the primary functions of a serious agent, in order of importance. One: have solid working knowledge of the contract and listing agreement. Two: study and know market stats and trends. Three: have goals, a business plan, and a schedule. Four: learn scripts and role play. Five: prospect, prospect, prospect.

Notice what is first. Contract and listing agreement knowledge. Not your logo. Not your Canva graphics. Not your Instagram bio. Those things may matter, but they do not replace competence. A serious agent knows how to generate business and protect the business once they get it.”

Closing: The Big Picture

Slide: The Formula for Staying Out of Trouble **Time Estimate:** 3–5 minutes

Objective: Summarize the course and deliver the final call to action.

Script: “Making money in real estate is good. Building production is good. Growing your business is good. But none of it matters if you are reckless.”

This business rewards confidence, but it punishes arrogance. It rewards speed, but it punishes sloppiness. It rewards service, but it punishes agents who operate outside

their lane.

Your job is to become the kind of agent other agents respect, clients trust, brokers do not have to babysit, and attorneys do not have to clean up after.

Document everything. Stay in your lane. Explain important terms. Get it in writing. Watch deadlines. Write clean contracts. Ask for help before the problem explodes.

That is how you stay out of trouble. That is how you protect your client. That is how you build a business that lasts. Because the goal is not just to close deals. The goal is to become the kind of professional who can keep closing deals year after year — without stepping in something that could have been avoided.

Thank you.”

Quick Reference: Course Outline at a Glance

Section	Title	Key Rule	Time
Intro	The Deep Water Warning	More production = more risk	5-8 min
1	The Real Risk Landscape	You answer to TREC, DTPA, Fair Housing, and more	5-7 min
2	Your First Line of Defense	Prioritize. Schedule. Document everything.	5-7 min
3	Beware of People	Become the calmest person in the room	4-6 min
4	Advertising Rules (TREC)	Broker name = half the size; team names must end in Team/Group	6-8 min
5	MLS & DTPA	Verify, disclose, and put it in writing	5-7 min
6	Showings, Disclosures & IABS	IABS at first substantive communication; disclose everything	5-7 min
7	International & Fraud	Slow down; involve the right professionals	4-5 min
8	Offers & Written Agreements	Submit every offer; get it in writing	5-6 min
9	Investors & Flips	Fresh paint is not due diligence	4-5 min
10	Earnest Money & Option Fee	3 days to escrow agent from effective date	6-8 min
11	2026 Buyer Rep Mandate	Written agreement required before showing property	8-10 min
12	Best Interest Complaints	Stop, evaluate, involve broker	4-5 min

Section	Title	Key Rule	Time
13	Inspections & Repairs	Do not go outside your scope	5–6 min
14	Vendor Language	Say “a lender I know,” not “my lender”	3–4 min
15	Over-Servicing	Good service = knowing when to refer out	4–5 min
16	Professional Conduct & Reporting	30-day TREC criminal history reporting rule	4–5 min
17	Other Agents’ Listings	Go through proper channels	3–4 min
18	Loan Fraud & Side Payments	All funds through title; all commissions through broker	5–6 min
19	Wire Fraud & Cybersecurity	Never email wire instructions; always verify by phone	6–8 min
20	Unlicensed Assistants	Cannot negotiate, advise, or hold open houses	3–4 min
21	Fair Housing	No steering, no coded language, no different treatment	5–7 min
22	Why Agents Get Sued	Disclosure, duty, competence, communication	5–6 min
23	Clean Contracts	Write clean, complete, accurate contracts	5–7 min
24	Make the Other Side an Ally	You can be firm without being nasty	4–5 min
25	Explain and Emphasize	No client should ever say “I didn’t know”	5–7 min
26	Everything in Writing	If it’s not in writing, it didn’t happen	4–5 min

Section	Title	Key Rule	Time
27	Pay Attention to Timelines	The clock starts at execution	5-6 min
28	Contract Errors & 2025 Updates	Know the Jan 2025 TREC changes	6-8 min
29	Competency & Article 11	Do not pretend to know what you do not know	4-5 min
30	Be an Exemplary Agent	Contract knowledge is primary function #1	5-7 min
Closing	The Formula	Document. Stay in your lane. Get it in writing.	3-5 min

Total Estimated Time: 2.5 – 3.5 hours *(depending on discussion and Q&A)*