

**CERTIFICATION OF ADMINISTRATIVE RULES
FILED WITH THE LEGISLATIVE SERVICES AGENCY
OTHNI LATHRAM, DIRECTOR**

(Pursuant to Code of Alabama 1975, §41-22-6, as amended).

I certify that the attached is/are correct copy/copies of rule/s as promulgated and adopted on Thursday, November 21, 2024, and filed with the agency secretary on Thursday, November 21, 2024.

AGENCY NAME: Alabama Real Estate Commission

INTENDED ACTION: Amend

RULE NO.: 790-X-1-.05
(If amended rule, give specific paragraph, subparagraphs, etc., being amended)

RULE TITLE: Out-Of-State Co-Brokerage Agreement

ACTION TAKEN: State whether the rule was adopted with or without changes from the proposal due to written or oral comments:

Adopted without changes

NOTICE OF INTENDED ACTION PUBLISHED IN VOLUME XLII, ISSUE NO. 12, AAM,
DATED MONDAY, SEPTEMBER 30, 2024.

STATUTORY RULEMAKING AUTHORITY: Code of Alabama, 1975

(Date Filed)
(For LRS Use Only)

REC'D & FILED

NOV 27, 2024

LEGISLATIVE SVC AGENCY

Vaughn T Poe

Vaughn T Poe

Certifying Officer or his or her
Deputy

(NOTE: In accordance with §41-22-6(b), as amended, a proposed rule is required to be certified within 90 days after completion of the notice.)

790-X-1-.05

Out-Of-State Co-Brokerage Agreement.

(1) A licensed Alabama qualifying broker may enter into a co-brokerage agreement with a broker of another state, subject to the provisions of *Code of Ala. 1975*, § 34-27-3. The Alabama qualifying broker shall require a listing or joint listing of the property involved. The written co-brokerage agreements required by *Code of Ala. 1975*, § 34-27-3, shall specify all material terms of each agreement, including but not limited to its financial terms.

(2) The showing of property located in Alabama and negotiations pertaining thereto shall be supervised by the Alabama qualifying broker. In all advertising of real estate located in Alabama, the name of the Alabama qualifying broker shall appear.

(3) The Alabama qualifying broker shall be liable for all acts of the out-of-state broker, as well as for his own acts, arising from the execution of any co-brokerage agreement.

(4) The Alabama qualifying broker shall determine that the out-of-state broker is licensed as a broker in another state.

(5) All earnest money pertaining to a co-brokerage agreement must be held in escrow by the Alabama qualifying broker unless both the buyer and seller agree in writing to relieve the Alabama qualifying broker of this responsibility.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-3, 34-27-8.

History: Filed September 30, 1982. **Amended:** Filed August 15, 1985. **Amended:** Published December 31, 2024; effective February 14, 2025.