

ALABAMA REAL ESTATE COMMISSION  
ADMINISTRATIVE CODE

CHAPTER 790-X-1  
GENERAL PROVISIONS

790-X-1-.05      Out-Of-State Co-Brokerage Agreement.

(1) An Alabama licensed 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 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 broker. In all advertising of real estate located in Alabama, the name of the Alabama broker shall appear.

(3) The Alabama 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 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 broker unless both the buyer and seller agree in writing to relieve the Alabama broker of this responsibility.

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

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