



NAVIGATING CHANGES TO DUAL AGENCY

Alabama's real estate license law changes in HB 382 / Alabama Act 2025-380 take effect October 1, 2025. This guide is about the new requirements under the law for *dual agency*.

OVERVIEW

- As of 10/1/25, Limited Consensual Dual Agency will be eliminated from Alabama real estate license law and replaced with *Dual Agency and Designated Single Agency*.

DEFINITIONS

- Dual agency is defined as "an agency relationship in which a licensee, with the informed written consent of all parties to a transaction, represents both the seller and the buyer in the same real estate transaction once all parties have signed the consent agreement." (Ala. Code § 34-27-81(8))
- Designated single agency is described this way: "When two or more licensees under the same qualifying broker are in separate agency agreements with a different party in the same transaction, the qualifying broker can designate those licensees as single agents as to the licensee's client. A designated single agent is not a dual agent, and neither the qualifying broker, the designated single agent, nor any other licensee involved in the transaction shall be assumed to have knowledge to any other party with whom the licensee has not entered into an agency agreement." (Ala. Code § 34-27-82(g))

RULES & REQUIREMENTS

- Dual Agency applies when the *same individual licensee* represents both the buyer and seller in a transaction.
 - Written Consent: A licensee must have both the buyer and seller's *written permission* before (s)he may act as a dual agent.
- Designated Single Agency applies when multiple licensees under the same qualifying broker represent both the buyer and seller in a transaction.
 - Written Designation: Ala. Code § 34-27-82(g) requires the Qualifying Broker to designate each licensee as their respective consumer's single agent. This designation should take place in writing so the Qualifying Broker has documentation of it.
 - Qualifying Brokers: Qualifying brokers should be aware that designating him/herself as a single agent creates potential risks and liability. For more information, please refer to the "Letter to AAR Members: Qualifying Broker Guidance - Designated Single Agency" on our [HB 382 Resource Page](#).

FORMS

- Dual Agency: As of 10/1/25, offers a Dual Agency Agreement from our Statewide Forms Library and document management partners.
- Designated Single Agency: No special form is required to designate single agents - it can be done on a plain sheet of paper, email, or any other writing. AAR offers a form for companies that wish to make the designation in a more formal manner. The form is available from our Statewide Forms Library and document management partners. A copy of the designation must be kept in your files.

This document is for information only and does not constitute legal advice. If you need legal advice, please contact an attorney.