

2025 AAR Statewide Legal Forms Revision List

Major edits made to the AAR Statewide Legal Forms throughout 2025 are listed below. If you have any questions about the forms, please review our <u>webinars</u> and other <u>online resources</u>, and feel free to contact the <u>Legal Line</u>.

October 2025 Updated Forms

- 1. RF 1.1(A) Agency Exclusive Right to Sell Property Listing Agreement; RF 1.1(B) Agency Exclusive Right to Sell Lot-Land Listing Agreement
- 2. RF 1.1(C) Seller Authorization Addendum
- 3. RF 1.2 Buyer Agency Agreement
- 4. RF 1.3(A) Transaction Facilitator Agreement for Sellers
- 5. RF 1.3(B) Transaction Facilitator Agreement for Buyers
- 6. RF 1.4 Dual Agency Agreement
- 7. RF 1.7 Independent Contractor Agreement
- 8. RF 1.9 Addendum to Brokerage Agreement
- 9. RF 2.1(A) Residential Purchase Agreement and RF 2.1(B) Lot-Land Purchase Agreement
- 10. RF 2.5 Counter-Offer to Purchase Agreement
- 11. RF 2.7 Release and Cancellation of Purchase Agreement

Removed From AAR Library October 2025:

1. RF 1.8 – Compensation Agreement Between Alabama Brokers

October 2025 New Forms

1. RF 1.9 – Single Agent Designation Form

September 2025 New Forms

- 1. RF 1.10(A) Team Member Agreement
- 2. RF 1.10(B) Team Leader Agreement
- 3. RF 1.10(C) Team Member List
- 4. RF 1.11 Wire Fraud Prevention Notice

July 2025 Updated Forms

- 1. RF 5.1 Buyer's Acknowledgement Statement
- 2. RF 5.2 Buyer's Term Waiver Acknowledgement

October 2025 Updated Forms

- 1. RF 1.1(A) Agency Exclusive Right to Sell Property Listing Agreement; RF 1.1(B) Agency Exclusive Right to Sell Lot-Land Listing Agreement
 - a. <u>Paragraph 3</u> Information relating to non-resident sellers was removed. The closing attorney will determine whether the seller is a non-resident and if so, the effect of this on the transaction.
 - b. Paragraph 4 The note in part (b) was rephrased to clarify that compensation intended for the buyer's broker should <u>never</u> be included in this paragraph. (This is simply a clarification and not a change to the way the form operates.)

- c. <u>Paragraph 5</u> The most significant changes to the document were made here. Pursuant to AAR's decision to eliminate broker-to-broker compensation from the AAR forms (for more information, see the announcement letter <u>here</u> and AAR's webinar <u>here</u>), the option for broker-to-broker compensation was removed from the document. Additionally, the space for the seller to commit to a specific amount or rate of buyer broker compensation was removed. Instead, this paragraph is now for information only. Any commitment by the seller to pay buyer broker compensation will take place in the purchase agreement.
- d. Paragraph 6 References to specific expenses that a seller concession may be applied to were removed, since this depends on 1) the purchase agreement used in the transaction, 2) the buyer's financing type, and 3) the closing attorney's discretion.
- e. <u>Paragraph 7</u> This is an entirely new paragraph in the document. It is related to the sellers' portion of the conveyance paragraph of the AAR Purchase Agreements (Paragraph 13 in the Residential Purchase Agreement and Paragraph 12 in the Lot-Land Purchase Agreement). Under Alabama law, if sellers who are joint tenants with right of survivorship execute a purchase agreement, they are automatically converted to tenants-in-common (with no right of survivorship) unless they state otherwise in the purchase agreement. This paragraph was added to the Listing Agreement to help sellers plan for this decision. *This paragraph does not apply to individual sellers or those who are already tenants-in-common.*
- f. Paragraph 13 Information about Limited Consensual Dual Agency was removed and replaced instead with information about Dual Agency. (For more information about dual agency, please visit AAR's HB 382 Resource Page.)
- g. In the interest of space, the paragraph confirming that the seller has been given a copy of the RECAD Brokerage Services Disclosure Form and your company's Agency Disclosure Office Policy was removed. To be clear, you are still legally required to give these documents to consumers at your initial contact with them.
- h. Stylistic/ clarifying changes that do not affect the form's function were made throughout.

2. RF 1.1(C) – Seller Authorization Addendum

a. This document was updated so that its contents with AAR's Agency Listing Agreement and Transaction Facilitator Agreement for Sellers.

3. RF 1.2 – Buyer Agency Agreement

a. Changes that updated the document's style and clarified certain language were made, but the operation of the form remains the same.

4. RF 1.3(A) – Transaction Facilitator Agreement for Sellers

- a. The term "transaction broker" was replaced with "transaction facilitator" throughout the document to reflect the change in terminology in Alabama real estate license law.
- b. Paragraph 1 In the interest of space, the text confirming that the seller has been given a copy of the RECAD Brokerage Services Disclosure Form and your company's Agency Disclosure Office Policy was removed. To be clear, you are still legally required to give these documents to consumers at your initial contact with them.
- c. <u>Paragraph 4</u> Information relating to non-resident sellers was removed. The closing attorney will determine whether the seller is a non-resident and if so, the effect of this on the transaction.
- d. <u>Paragraph 5</u> The note in part (b) was rephrased to clarify that compensation intended for the buyer's broker should <u>never</u> be included in this paragraph. (This is simply a clarification and not a change to the way the form operates.)
- e. <u>Paragraph 6</u> The most significant changes to the document were made here. Pursuant to AAR's decision to eliminate broker-to-broker compensation from the AAR forms (for more information, see the announcement letter <u>here</u> and AAR's webinar <u>here</u>), the option for broker-to-broker compensation

was removed from the document. Additionally, the space for the seller to commit to a specific amount or rate of buyer broker compensation was removed. Instead, this paragraph is now for information only. Any commitment by the seller to pay buyer broker compensation will take place in the purchase agreement.

- f. Paragraph 7 References to specific expenses that a seller concession may be applied to were removed, since this depends on 1) the purchase agreement used in the transaction, 2) the buyer's financing type, and 3) the closing attorney's discretion.
- g. Paragraph 8 This is an entirely new paragraph in the document. It is related to the sellers' portion of the conveyance paragraph of the AAR Purchase Agreements (Paragraph 13 in the Residential Purchase Agreement and Paragraph 12 in the Lot-Land Purchase Agreement). Under Alabama law, if sellers who are joint tenants with right of survivorship execute a purchase agreement, they are automatically converted to tenants-in-common (with no right of survivorship) unless they state otherwise in the purchase agreement. This paragraph was added to the Listing Agreement to help sellers plan for this decision. This paragraph does not apply to individual sellers or those who are already tenants-in-common.
- h. Stylistic/ clarifying changes that do not affect the form's function were made throughout.

5. RF 1.3(B) – Transaction Facilitator Agreement for Buyers

- a. The term "transaction broker" was replaced with "transaction facilitator" throughout the document to reflect the change in terminology in Alabama real estate license law.
- b. Paragraph 1 In the interest of space, the text confirming that the seller has been given a copy of the RECAD Brokerage Services Disclosure Form and your company's Agency Disclosure Office Policy was removed. To be clear, you are still legally required to give these documents to consumers at your initial contact with them.
- c. Stylistic/ clarifying changes that do not affect the form's function were made throughout.

6. RF 1.4 – Dual Agency Agreement

a. This form is an adaptation of AAR's previous Limited Consensual Dual Agency Agreement. It reflects the new representation type of *dual agency*, which is triggered by a *single licensee* serving as an agent for both the buyer and seller in the same transaction. This form is required by law before you prepare or submit an offer to purchase on the buyer's behalf as an agent, if you already represent the seller of that property as an agent. (For more information about dual agency, please visit AAR's HB 382 Resource Page.)

7. RF 1.7 – Independent Contractor Agreement

- a. The word "brokerage" was replaced with "company" throughout the form to align with our other forms.
- b. <u>Paragraph IX</u> The arbitration agreement in this form was updated to align with the arbitration agreement found in our other forms. The agreement was moved to its own paragraph.
- c. Paragraph X
 - i. Part b: A section related to teams was added. This section allows the qualifying broker to indicate whether his/her company allows licensees to be a member of a team.
 - ii. Part d: This section was added to allow the qualifying broker to indicate whether the licensee is permitted to execute listing agreements and buyer agreements ("brokerage agreements"), or if the qualifying broker must personally sign these documents.
- d. Stylistic/ clarifying changes that do not affect the form's function were made throughout.

8. RF 1.9 – Addendum to Brokerage Agreement

- a. The title of the document was updated to "Addendum to Brokerage Agreement" from "Addendum to Consumer Agreement" to align with Alabama license law's use of the term "brokerage agreement."
- b. The term "transaction broker" was replaced with "transaction facilitator" throughout to reflect the change in terminology in Alabama real estate license law.

9. RF 2.1(A) – Residential Purchase Agreement and RF 2.1(B) – Lot-Land Purchase Agreement

- a. <u>Paragraph 1</u> The text of the Agency Disclosure was updated to reflect changes made to Alabama license law (the specific text of this paragraph is required by law).
- b. <u>Paragraph 3</u> The notes "cash sale" and "financed sale" were added next to each financing option to help licensees understand which option was being selected. Within the "financed sale" section, the following changes were made:
 - i. Language was added clarifying that the buyer must proceed with good faith in order to be protected by the financing contingency.
 - ii. A set of initials was added before the "FHA/VA Information" section. These initials should be completed if the transaction will be financed, regardless of type of financing. (The initials that appear after the "FHA/VA Information" section only need to be completed if the transaction will be funded via an FHA/VA loan.) (Note: This change does not apply to the Lot-Land Agreement.)
- c. <u>Paragraph 7</u> Initials were added after this section to highlight its importance.

d. Paragraph 8 –

- i. Buyer Broker Compensation: Because the AAR Forms no longer support broker-to-broker compensation, the reference to the Compensation Agreement Between Brokers was removed.
- ii. Seller Concession: The specific expenses that were previously listed under this paragraph were removed. Instead, the parties may choose to specify expenses toward which the seller concession will be applied. If no expenses are specified, the seller concession will be applied toward any expenses deemed eligible by the closing attorney.
- iii. Closing Attorney: The options to select which party will pay for the closing attorney were removed. Now, this expense will work the same way as all other expenses under the contract: it will be paid by the buyer, unless language stating the seller will pay it is added to the "seller concession" and/or "additional provisions" sections of the agreement.
- e. <u>Paragraph 9</u> Text was added to the "without inspection" option to clarify that this option means the buyer is proceeding without an inspection *contingency*, but that (s)he still has the right to have the property inspected. (Note: This change does not apply to the Lot-Land Agreement.)
- f. Paragraph 13 The language of the "to be completed by Seller" section was edited for clarity. The operation of the paragraph remains the same.
- g. Paragraph 14 The language of the paragraph was edited for clarity, but its operation remains the same.
- h. <u>Paragraph 33</u> Licensees will no longer be required to write in the Agreement Acceptance Date. Instead, if the seller accepts the offer, the Agreement Acceptance Date will be the date of the final seller's signature.
- i. <u>Real Estate Agent Information</u> Spaces for the seller's and buyer's broker's company name and address were added, since the "Agency Disclosure" paragraph no longer calls for the Company name.

10. RF 2.5 - Counter-Offer to Purchase Agreement

- a. Licensees will no longer be required to write in the Agreement Acceptance Date. Instead, the Agreement Acceptance Date will be the date of the final consumer's signature. (This change mirros the change made to AAR's Purchase Agreements.)
- b. The language related to the agent's signature sections was clarified.

11. RF 2.7 – Release and Cancellation of Purchase Agreement

a. Separate signature blanks were added so that the purchase agreement termination and mutual release of earnest money can be completed/ handled separately.

Removed From AAR Library October 2025:

1. **RF 1.8 – Compensation Agreement Between Alabama Brokers** – As of October 1, 2025, AAR has made the decision to remove broker-to-broker compensation from our Statewide Forms Library (for more

information, see the announcement letter <u>here</u> and AAR's webinar <u>here</u>). As a result, this form has been discontinued from our library. <u>AAR does not support continued use of this form.</u>

October 2025 New Forms

1. **RF 1.9 – Single Agent Designation Form** – One of the October 1, 2025 changes to Alabama license law is the removal of Limited Consensual Dual Agency and its replacement with Dual Agency and Designated Single Agency. Designated Single Agency applies when two licensees under the same qualifying broker are agents for both the buyer and seller in the same transaction. In that scenario, the qualifying broker must designate each licensee as his/her client's single agent. The designation must be written, but there is no required format. This form is one option. (For more information about designated single agency, please visit AAR's HB 382 Resource Page.)

September 2025 New Forms

- 1. **RF 1.10(A) Team Member Agreement** This is an *optional* agreement that establishes the rules and requirements for a licensee who wants to join a real estate team.
- 2. **RF 1.10(B) Team Leader Agreement** This is an *optional* agreement that establishes the rules and requirements for a licensee who wishes to serve as the leader of a real estate team.
- 3. **RF 1.10(C) Team Member List** This is a template for a team leader to maintain a record of team members. Although you are not required to use AAR's template, a team member list is required by law for all real estate teams.
- 4. **RF 1.11 Wire Fraud Prevention Notice** This document helps make consumers (particularly buyers) aware of the risk of fraud, including wire fraud, in real estate transactions. It is not required but is recommended.

July 2025 Updated Forms

- 1. **RF 5.1 Buyer's Acknowledgement Statement** This form was updated for recommended use alongside AAR's RF 5.2 (Buyer's Term Waiver Acknowledgement). Form 5.1 is intended as an educational supplement for all buyers who you work with.
- 2. **RF 5.2 Buyer's Term Waiver Acknowledgement** This form was updated for recommended use alongside AAR's RF 5.1 (Buyer's Acknowledgement Statement). Form 5.2 is intended to be used when a buyer plans to make a decision that involves risk, such as adding an escalation addendum or proceeding without an inspection contingency.