

Rule 790-X-1-.03. License Requirements

(1) Rental leasing and/or property management services for Alabama real estate licensees include but are not limited to:

(a) Rent or lease real estate situated within the State of Alabama.

(b) Offer to rent or lease real estate situated within the State of Alabama.

(c) Negotiate, or attempt to negotiate, the rental or leasing of real estate situated within the State of Alabama.

(d) List or offer or attempt or agree to list real estate for rental or lease situated within the State of Alabama.

(e) Aid, attempt, offer to aid in locating, or obtaining for rent, or lease any real estate situated within the State of Alabama.

(f) Procure or assist in procuring the prospects for the purpose of effecting the lease, or rental of real estate situated within the State of Alabama.

(g) Procure or assist in the procuring of properties for the purpose of effecting the lease, or rental of real estate situated within the State of Alabama.

(h) Entering into an agreement or contracting for the collection and escrow of security deposits, and entering into an agreement or contracting for the collection and escrow of rental payments for properties situated within the State of Alabama.

~~(i) Coordinate physical maintenance and repairs for real property under rental or lease management agreement with an Alabama real estate licensee, and situated within the State of Alabama, when the coordination of physical maintenance or repairs does not require licensure pursuant to other state regulatory agencies or boards, or when the real estate licensee holds the license or licenses required by other state regulatory agencies or boards to coordinate or perform the physical maintenance or repairs.~~

(2) Code of Ala.1975, § 34-27-2(b)(1), exempts owners of real property from the licensing requirements of Articles 1 and 2 of Chapter 27 when managing his own property or consummating a real estate transaction involving his own property. As used in Code of Ala. 1975, § 34-27-2(b)(1), the term "owner" is defined as the individual owner himself, or in the case of a corporation or partnership, a partner or corporate officer, who has authority to and does make

management decisions affecting the overall policy of the corporation or partnership.

(3) When engaging in a transaction in which the licensee or his or her spouse, child or parent is a principal party to the transaction, the licensee is governed by the provisions in Chapter 27 of Title 34, Code of Ala. 1975, that apply to licensees and the rules promulgated by the Alabama Real Estate Commission that apply to licensees only if:

(a) The licensee advertises, markets, or otherwise conveys that the licensee is engaging in the transaction through the licensee's broker or company; ~~or~~

(b) The licensee seeks to or does obtain compensation for acting as a licensee in the transaction-~~;~~ or

(c) The licensee violates Code of Ala. 1975, § 34-27-36(a)(2) by engaging in misrepresentation or fraudulent acts during the transaction.

This rule does not prevent a company from enacting policies and procedures for their licensees engaging in transactions in which their licensees or their licensees' spouses, children, or parents are the principal party.

(4) Code of Ala. 1975, § 34-27-30(5), requires that one who auctions, or offers or attempts or agrees to auction real estate must be licensed under Articles 1 and 2. Persons commonly referred to as "ground men" are not required to be licensed, provided their activities shall be limited to relaying crowd participation bids to the auctioneer.

Author: Alabama Real Estate Commission.

Statutory Authority: Code of Ala., 1975, §§ 34-27-2, 34-27-8, and 34-27-30.

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