



RESIDENTIAL FORMS CHANGES Effective July 2021

The following residential forms have been revised effective July 1, 2021. A summary of the significant changes to each form follows the list. A marked-up copy of each form showing the exact changes may be viewed by clicking on the name of the form immediately preceding the summary of the forms.

Jointly-Approved Forms (approved by NCAR and NC Bar Association)

- (1) Offer to Purchase and Contract (Form 2-T)
- (2) Guidelines for Completing Offer to Purchase and Contract (Form 2G)
- (3) Offer to Purchase and Contract (Vacant Lot/Land) (Form 12-T)
- (4) Guidelines for Completing Offer to Purchase and Contract (Vacant Lot/Land) (Form 12G)
- (5) Back-Up Contract Addendum (Form 2A1-T)
- (6) Lead-Based Paint or Lead-Based Paint Hazard Addendum (Form 2A9-T)
- (7) Owners Association Addendum (Form 2A12-T)
- (8) Agreement to Amend Contract (Form 4-T)
- (9) Offer to Purchase and Contract—New Construction (Form 800-T)
- (10) Guidelines for Completing Offer to Purchase and Contract—New Construction (Form 800G)

NCAR Residential Forms (approved by NCAR only)

- (11) Exclusive Right to Sell Listing Agreement (Form 101)
- (12) Guidelines for Completing Exclusive Right to Sell Listing Agreement (101G)
- (13) Exclusive Right to Sell Listing Agreement—Vacant Lot/Land (Form 103)
- (14) Guidelines for Completing Exclusive Right to Sell Listing Agreement—Vacant Lot/Land (Form 103G)
- (15) Exclusive Buyer Agency Agreement (Form 201)
- (16) Guidelines for Completing Exclusive Buyer Agency Agreement (Form 201G)
- (17) Non-Exclusive Buyer Agency Agreement (Form 203)
- (18) Confirmation Of Agency Relationship, Appointment & Compensation (Form 220)
- (19) Guidelines for Completing Confirmation Of Agency Relationship, Appointment & Compensation (Form 220G)
- (20) Notice To Seller That Buyer Is Exercising Their Unilateral Right To Terminate The Offer To Purchase And Contract (Form 2-T) (Form 350-T)
- (21) Notice To Seller That Buyer Is Exercising Their Unilateral Right To Terminate The Offer To Purchase And Contract—Vacant Lot/Land (Form 12-T) (Form 351-T)
- (22) Notice To Buyer That Seller Is Exercising Their Unilateral Right To Terminate The Offer To Purchase And Contract (Form 2-T) (Form 352-T)
- (23) Notice To Buyer That Seller Is Exercising Their Unilateral Right To Terminate The Offer To Purchase And Contract—Vacant Lot/Land (Form 12-T) (Form 353-T)

- (24) Termination Of Contract By Mutual Agreement With Release Of Earnest Money Deposit (Form 390-T)
- (25) Termination Of Contract By Mutual Agreement Without Release Of Earnest Money Deposit (Form 391-T)
- (26) Agency Agreement Renewal and/or Amendment (Form 710)
- (27) Termination of Agency Agreement and Release (Form 720)
- (28) Professional Services Disclosure and Election (Form 760)
- (29) Confirmation Of Compensation (Form 770)
- (30) Guidelines for Completing Confirmation Of Compensation (Form 770G)
- (31) Overview of Standard Contract Form (Form 780)

Jointly-Approved Forms (approved by NCAR and NC Bar Association)

(1) Offer to Purchase and Contract (Form 2-T)

- Paragraph 1(d)
 - New boxes added for parties to agree on form of payment of Due Diligence fee.
 - If parties agree that DDF will be paid by electronic transfer, new blank should be completed to specify payment service (Pay Pal, for example).
 - First option for delivery deadline of Initial EMD has been changed from “with this offer” to “by the Effective Date”
 - New boxes added for parties to agree on form of payment of Additional EMD
 - New sentence added to require seller to cooperate in effecting payment of DDF or EMD by electronic transfer if agreed to by the parties, and buyer to be responsible for any costs associated with such transfer
- New wording added to expressly state that a seller is entitled to recover *both* the DDF and EMD if seller terminates contract due to buyer’s failure to timely deliver the DDF or EMD, together with attorneys’ fees and court costs to the extent permitted by law. This change is intended to emphasize to buyers the potential financial repercussions of putting the property under contract and then refusing to pay the due diligence fee.
- Paragraph 1(e)
 - The word “promptly” has been added in the first sentence in connection with the Escrow Agent’s deposit of the EMD to address reports received of delays in depositing EMDs by attorney escrow agents. Brokers acting as escrow agents are required by Real Estate Commission Rule 58A.0116 to deposit EMDs within 3 days of receipt or acceptance of offer.
 - Much of paragraph 1(e) has been moved to new “Remedies” paragraph 23. See below.
- Paragraph 1(i)—new sentence added referencing new “Remedies” paragraph 23 for a party’s right to recover attorneys’ fees in collecting the DDF. See below.
- Paragraph 1(n)—The definitions of “Proposed Special Assessment” and “Confirmed Special Assessment” have been eliminated. In the new version of Form 2-T, the seller’s representations regarding proposed and confirmed special assessments have been eliminated. The seller will still be obligated to pay any special assessments approved prior to Settlement, and the buyer will still be responsible for any special assessments that may be approved after Settlement. The seller’s disclosure of proposed special assessments in paragraph 7(c) has been problematic for years, for a number of reasons; (i) it is difficult to determine whether or not a special assessment is under “formal consideration by the owner’s association or a local government;” (ii) the seller is oftentimes unaware if a special assessment is being considered; and (iii) agents commonly misuse the blank for disclosing any proposed special assessments by inserting “none

known, if any seller to pay,” creating potential conflict with other parts of the contract and confusion and misunderstanding. It is felt that determining the existence of special assessments that may be under consideration should be part of the buyer’s due diligence process; thus, a new subparagraph regarding special assessments has been added to the list of items in paragraph 4(b) that the buyer should consider investigating during the Due Diligence Period.

- Paragraph 2(b)—The wording “if present on the Property on the date of the offer” has been added to the first sentence to clarify that only the items listed in paragraph 2(b) that are present on the property on the date of the offer are included as a part of the sale.
- Paragraph 2(c)—A new sentence has been added to make it clear that the seller’s obligation to unpair and delete data from devices that are included in the sale will still be enforceable after closing.
- Paragraph 3-- The wording “present on the Property on the date of the offer” has been added to paragraph 3 to clarify that any personal property identified in the blank space is the same item of personal property that was present on the real estate at the time of the offer. This will hopefully help avoid disputes about whether a seller may take an item listed (for example, a refrigerator) and replace it with a different item fitting the same general description.
- Paragraph 4(b)(x)—see discussion above under paragraph 1(n) above.
- Paragraph 4(g)—New wording has been added to make it clear that the buyer may exercise the right to terminate the contract during the Due Diligence Period only if the buyer has paid any agreed-upon Due Diligence Fee. Again, this change is being made to discourage buyers from putting property under contract and then terminating and refusing to pay the DDF.
- Paragraph 5(a)--In response to concerns voiced about the potentially discriminatory impact of references to “down payment assistance program” in paragraph 5, a task force of the Forms Committee was charged with taking a broad look at the buyer’s representations regarding the manner in which the buyer intends to fund the purchase. The result is a completely overhauled paragraph 5(a). In the new version, the buyer will check whether the buyer intends to pay cash or to obtain a loan and/or other funds to complete the purchase. If the buyer intends to obtain a loan and/or other funds, the buyer will be expected to describe in general terms the type of loan(s) and/or other funds the buyer intends to obtain. For example, the Second Mortgage Loan could include loans from private lenders, second mortgages, equity loans or down payment assistance loans. Other funds could include gift funds or down payment assistance grants. References to “Fixed Rate,” “Adjustable Rate,” the term and interest rate of any loan, and “down payment assistance program” (in both paragraph 5(a) and in the first “Note”) have been eliminated. In addition, “USDA” has been added as a checkbox option for First Mortgage Loan, and a new sentence has been added to the “Note” at the end of paragraph 5(a) to make it clear that if the buyer makes material changes in how they intend to fund the transaction that will affect the contract, those changes must be disclosed.
- Paragraph 6(a)—see discussion under paragraph 1(n) above.
- Paragraph 7(c)—see discussion under paragraph 1(n) above.
- Paragraph 8(k)—see discussion under paragraph 1(n) above.
- Paragraph 8(n)—moved to new “Remedies” paragraph 23. See below.
- Paragraph 9—Non-substantive changes made to improve sentence structure.
- Paragraph 12--Based on numerous reports of disputes about whether a party is entitled to a delay in Settlement, as well as reports of some parties making offers with an assumption at the time of offer that they will use the 14-day delay period, a decision was made to amend the Delay in Settlement/Closing paragraph.

- The permitted delay period has been reduced from 14 days to 7 days. Although this change will not eliminate disputes about a party’s right to a delay in settlement, it will help minimize the impact of a delay on the non-delaying party. If a delaying party needs more than 7 days to complete Settlement and Closing, the parties may extend the Settlement Date by signing an Agreement to Amend Contract form.
- A party is entitled to a delay in Settlement under the existing paragraph 12 if that party is “unable” to complete Settlement by the Settlement Date. In the new version of paragraph 12, a party is entitled to a delay if it is “not possible” for them to complete Settlement by the Settlement Date. This change has been made to clarify that a party is not entitled to a delay under paragraph 12 simply as a matter of convenience.
- Confusing, legalistic language in the current version of paragraph 12 has been eliminated to make it more comprehensible to laypeople and their agents. It is understood without saying that the parties can always agree otherwise or amend their agreement, and that there is an implicit obligation for the parties to a contract to act in good faith.
- Paragraph 23
 - Subparagraph (a)—The wording of paragraph 23(a) has been moved from paragraph 1(e) of the previous version of Form 2-T.
 - Subparagraph (b)— The wording of paragraph 23(b) has been moved from paragraph 8(n) of the previous version of Form 2-T.
 - Subparagraph (c)—The wording of paragraph 23(c) consolidates and adds to the “attorneys’ fees” wording appearing in paragraphs 1(e) and 8(n) of the previous version of Form 2-T. Entitlement to attorneys’ fees in a contract for the sale of residential real estate in North Carolina depends on an interpretation of NC General Statutes Section 6-21.2. The new wording authorizes the recovery of attorneys’ fees by the buyer or seller if, under the particular circumstances, it is permitted under the statute.

(2) [Guidelines for Completing Offer to Purchase and Contract \(Form 2G\)](#)

- Changes corresponding to the changes made to Form 2-T have been made where necessary to update the Guidelines for completing Form 2-T

(3) [Offer to Purchase and Contract \(Vacant Lot/Land\) \(Form 12-T\)](#)

- Changes corresponding to the changes to Form 2-T described above have been made to the vacant lot/land version of the contract where relevant

(4) [Guidelines for Completing Offer to Purchase and Contract \(Vacant Lot/Land\) \(Form 12G\)](#)

- Changes corresponding to the changes made to Form 12-T have been made where necessary to update the Guidelines for completing Form 12-T

(5) [Back-Up Contract Addendum \(Form 2A1-T\)](#)

- Paragraph 8(a)—Paragraph 6 in the old version of Form 2A1-T has been incorporated into paragraph 8(a) of the new version. Old paragraph 6 addressed the payment of the Initial EMD, and it was determined that it was more appropriate to incorporate that wording into old paragraph 9, which addressed payment of the Due Diligence Fee. The new paragraph 8(a) also clarifies that the Initial EMD is payable in accordance with paragraph 1(d) of Form 2-T.
- Paragraph 8(b)—This new subparagraph has been added to address the timing of the payment of any Additional EMD, tying its due date to the delivery to the Back-Up Buyer of notice that the Back-Up Contract has become primary. An agreed-upon number of days should be inserted in the blank and, as instructed in the “Note” at the end of paragraph 8, the wording “see attached

Back-Up Contract Addendum” should be inserted in the blank in the Additional EMD section of Form 2-T rather than a date.

(6) [Lead-Based Paint or Lead-Based Paint Hazard Addendum \(Form 2A9-T\)](#)

- The wording in paragraph (e) has been changed from the past to present tense to reflect the fact the buyer’s opportunity to inspect for the presence of lead-based paint will come into effect on the Effective Date of any contract, or that the buyer is waiving such opportunity.

(7) [Owners Association Addendum \(Form 2A12-T\)](#)

- The name of this form and the “Note” appearing under the name have been changed to remove the reference to condo resales. The Condominium Act requires an owner who is reselling a condo “to furnish to a prospective purchaser before conveyance a statement setting forth the monthly common expense assessment and any other fees payable by unit owners.” This obligation is fulfilled by completion of the Residential Property and Owners Association Disclosure Statement or the “Owners’ Association(s) and Dues” section of Form 2-T (if there aren’t any fees payable other than regular dues). The reference to condo resales in Form 2A12-T has been confusing to some members who believe that the form is required for condo resales.
- Paragraph 2—the wording “Including All Units” has been eliminated after “Master Insurance Policy” because it has been misinterpreted to mean that the Association’s Master Insurance Policy includes insurance on individual condo units.

(8) [Agreement to Amend Contract \(Form 4-T\)](#)

- Settlement Date—The wording in the second box in the “Settlement Date” menu choice has been reworded to make it clearer that if the second box is *not* checked, the 7-day delay in settlement permitted in paragraph 12 of the contract *will* apply to the new Settlement Date.

(9) [Offer to Purchase and Contract—New Construction \(Form 800-T\)](#)

- Changes corresponding to the changes to Form 2-T described above have been made to the new construction version of the contract where relevant

(10) [Guidelines for Completing Offer to Purchase and Contract—New Construction \(Form 800G\)](#)

- Changes corresponding to the changes made to Form 800-T over the past couple of years have been made where necessary to update the Guidelines for completing Form 800-T

NCAR Residential Forms (approved by NCAR only)

(11) [Exclusive Right to Sell Listing Agreement \(Form 101\)](#)

- Reference to the Working With Real Estate Agents publication changed from “brochure” to “disclosure” based on the new version of the form rolled out by the Real Estate Commission
- Paragraph 3(b)--The wording “if present on the Property on the date of the offer” has been added to the first sentence to track the change made to paragraph 2(a) of Form 2-T.
- Paragraph 3(c)-- A new sentence has been added to track the addition of the sentence to paragraph 2(c) of Form 2-T.
- Paragraph 4--The wording “present on the Property on the date of the offer” has been added to track the addition of the sentence to paragraph 3 of Form 2-T.
- Paragraph 9—A new “Warning” has been added at the end of paragraph 9 warning sellers and listing agents about potential fair housing problems associated with the seller’s consideration of

so-called “buyer love letters” and advising the seller and listing agent to discuss how any such letters will be handled.

- Paragraph 10—the “Marketing” paragraph of Form 101 has undergone a number of changes in the past several years to address “coming soon” marketing and, more recently, the NAR Clear Cooperation Policy. In an attempt to address confusion among some members, the Marketing paragraph has been reorganized.
 - In the current version of paragraph 10, marketing begins on the Effective Date of the listing agreement unless the parties agree that marketing will begin at a later date inserted in the “Delayed Marketing Date” blank. In the new version, the “Delayed Marketing Date” blank has been eliminated. Instead, the parties will establish in all cases when marketing will begin, which may be the Effective Date (the date the agreement is signed by both parties) or a later date.
 - A seller and the listing firm will then be required to select “Public Marketing” or “Office Exclusive.”
 - If “Public Marketing” is selected, applicable marketing options must then be selected.
 - If “Coming Soon” Marketing is selected, the parties must agree on a date that the status of the listing will be changed from “Coming Soon” to “Active.”
 - A new sentence has been added in the “Office Exclusive” subparagraph to make it clearer that public marketing is prohibited and that if public marketing will take place at a later date, it will be necessary to amend the listing agreement.
- Paragraph 11—In the current version of Form 101, there is an assumption that the listing firm will act as escrow agent. Given the increasing number of firms that do not maintain trust accounts and the increasing use of closing attorneys to hold earnest money deposits, paragraph 11 has been changed. In the new version, the listing agent must check the appropriate box to indicate whether the agent’s firm maintains a trust account, and the wording has been changed to clarify that the escrow agent will be identified in the sales contract.
- Paragraph 12
 - The order of the 14 representations in the “Seller Representations” paragraph has been changed to group together the 8 representations that the seller makes “to the best of Seller’s knowledge” (subparagraphs (g) through (n)) and the 6 representations that are not limited by a “best knowledge” standard (subparagraphs (a) through (f)).
 - New wording has been added in subparagraph (n) that will require the seller to indicate whether any fuel tank(s) are in use, and if not, whether the tank has been closed and the method used to close the tank.
 - Some wording in the “Owners Association” subparagraph has been eliminated as unnecessary or moved to the “Seller’s Duties” paragraph (see paragraph 13(c)(3)).
- Paragraph 20—the wording of the last 2 sentences has been changed to clarify that the listing agreement may be terminated either by mutual agreement of the parties or by seller or firm for legally-sufficient cause.

(12) [Guidelines for Completing Exclusive Right to Sell Listing Agreement \(Form 101G\)](#)

- Changes corresponding to the changes made to Form 101 have been made where necessary to update the Guidelines for completing Form 101.

(13) [Exclusive Right to Sell Listing Agreement—Vacant Lot/Land \(Form 103\)](#)

- Changes corresponding to the changes to Form 101 described above have been made to the vacant lot/land version of the contract where relevant

(14) [Guidelines for Completing Exclusive Right to Sell Listing Agreement—Vacant Lot/Land \(Form 103G\)](#)

- Changes corresponding to the changes made to Form 103 have been made where necessary to update the Guidelines for completing Form 103

(15) [Exclusive Buyer Agency Agreement \(Form 201\)](#)

- New “Note” added above paragraph 1 instructing agents on proper completion of “Buyer” blank when Buyer is a corporation, LLC, trust, or other legal entity.
- Reference to the Working With Real Estate Agents publication changed from “brochure” to “disclosure” based on the new version of the form rolled out by the Real Estate Commission
- Paragraph 4(c)(ii)—“Protection Period” added as a defined term.
- Paragraph 8—A new “Warning” has been added at the end of paragraph 9 warning buyers and buyer agents about potential fair housing problems associated with the seller’s consideration of so-called “buyer love letters” and advising the buyer and buyer agent to discuss how any such letters will be handled.

(16) [Guidelines for Completing Exclusive Buyer Agency Agreement \(Form 201G\)](#)

- Changes corresponding to the changes made to Form 201 have been made where necessary to update the Guidelines for completing Form 201.

(17) [Non-Exclusive Buyer Agency Agreement \(Form 203\)](#)

- Reference to the Working With Real Estate Agents publication changed from “brochure” to “disclosure” based on the new version of the form rolled out by the Real Estate Commission
- Paragraph 4(c)(ii)—“Protection Period” added as a defined term.
- Paragraph 8—see discussion under paragraph 8 of Form 201 above.

(18) [Confirmation Of Agency Relationship, Appointment & Compensation \(Form 220\)](#)

- Name of form changed to “Confirmation Of Compensation, Agency, and Appointment”

(19) [Guidelines for Completing Confirmation Of Agency Relationship, Appointment & Compensation \(Form 220G\)](#)

- Change to reflect change in name of Form 220

(20) [Notice To Seller That Buyer Is Exercising Their Unilateral Right To Terminate The Offer To Purchase And Contract \(Form 2-T\) \(Form 350-T\)](#)

- It is generally preferable for the party who has the unilateral right to terminate a contract to use Forms 350-T, 351-T, 352-T, or 353-T, as appropriate, rather than Form 390-T, which is designed for termination of a contract by mutual consent of the parties. In an effort to promote greater use of the unilateral termination forms, the names of Forms 350-T, 351-T, 352-T, and 353-T have been changed to make them easier to locate in the NCR forms library.
- A new “Note” has been added to help members identify which termination form to use, depending on whether the contract was written on Form 2-T or 12-T.
- A new “Note” has also been added at the end of page 2 to make it clear that the failure of the other party to authorize the release of the Earnest Money Deposit does not affect the validity of the terminating party’s termination.

- (21) [Notice To Seller That Buyer Is Exercising Their Unilateral Right To Terminate The Offer To Purchase And Contract—Vacant Lot/Land \(Form 12-T\) \(Form 351-T\)](#)
- See above comments regarding changes to Form 350-T.
- (22) [Notice To Buyer That Seller Is Exercising Their Unilateral Right To Terminate The Offer To Purchase And Contract \(Form 2-T\) \(Form 352-T\)](#)
- See above comments regarding changes to Form 350-T.
- (23) [Notice To Buyer That Seller Is Exercising Their Unilateral Right To Terminate The Offer To Purchase And Contract—Vacant Lot/Land \(Form 12-T\) \(Form 353-T\)](#)
- See above comments regarding changes to Form 350-T.
- (24) [Termination Of Contract By Mutual Agreement With Release Of Earnest Money Deposit \(Form 390-T\)](#)
- Existing directions immediately under the name of the form have been reformatted in “Note” form in keeping with the use of such Notes in other forms.
 - A new “Note” has been added that recommends the use of Forms 350-T, 351-T, 352-T, or 353-T, as appropriate, rather than Form 390-T, when a party desires to exercise a unilateral right to terminate a contract. See above comments regarding changes to Form 350-T.
- (25) [Termination Of Contract By Mutual Agreement Without Release Of Earnest Money Deposit \(Form 391-T\)](#)
- See above comments regarding to Form 390-T.
- (26) [Agency Agreement Renewal and/or Amendment \(Form 710\)](#)
- Reformatted in a number of respects to parallel the format of Form 720.
 - Blank line put back in form after being inadvertently removed for description of agency agreement not appearing on menu of standard agency agreement forms
- (27) [Termination of Agency Agreement and Release \(Form 720\)](#)
- Blank line added for property address, if applicable, to use in situations where, for example, a firm has two listing agreements with a seller and only one of them is being terminated
- (28) [Professional Services Disclosure and Election \(Form 760\)](#)
- Size of boxes in grid of services increased in size to make it easier to insert multiple initials
 - Additional blank lines were added to the grid
- (29) [Confirmation Of Compensation \(Form 770\)](#)
- Name of Form changed to “Disclosure of Compensation” to clarify that the purpose of the Form is related to the disclosure of compensation to a client rather than the confirmation of compensation that a listing agent is offering to a cooperating broker and to help users to more easily distinguish it from Form 220.
- (30) [Guidelines for Completing Confirmation Of Compensation \(Form 770G\)](#)
- Change to reflect change in name of Form 770
- (31) [Overview of Standard Contract Form \(Form 780\)](#)

- Change in “Delays in Settlement/Closing” section of form (page 5) to reduce permitted delay period from 14 to 7 days

The forms have been updated on the NCR website and provided to NCR’s approved forms software vendors. According to NCR Forms Policy, permitted users will have a 60-day grace period to transition to the new forms.