



Summary of 2024 Changes to NC REALTOR® Residential Forms

The following forms have been revised for 2024. This summary only covers the material changes that were made to each form. Click on the hyperlinks below to see all changes made.

1. **NAR Antitrust Settlement Forms Changes**. If you wish to look at the forms changes specifically made to address the *Burnett v. NAR* settlement requirements, please review the following sections highlighted below in yellow: ¶¶ 10.1, 10.2, 15.2, 16.1, 17.1, and 24.1.
2. **[Form 2-T – Offer to Purchase and Contract](#)**
 - 2.1. ¶ 1(i) – Language added to permit the buyer to pay the Due Diligence Fee to another party at the seller or listing agent’s direction.
 - 2.2. ¶ 1(j) – Checkboxes added to create more certainty around the Due Diligence Period. Agents may either pick a date certain or choose a certain number of days to be counted from the Effective Date. Agents often fill this section out wrong as currently drafted, and these changes will provide a risk management benefit.
 - 2.3. ¶ 8(a)(iii) – Language added to require the seller to provide HOA information to the closing attorney. Currently, closing attorneys lack the ability and power to verify the seller’s account.
 - 2.4. ¶ 8(h) – Changes made to emphasize that it is the buyer’s burden to establish a violation of governmental compliance and the buyer’s duty to promptly notify the seller. A task force investigated the usefulness of this section since its adoption last year, and it appears to be working as intended and giving parties equitable relief when these issues are discovered during a transaction.
3. **[Form 2G – Guidelines for Completing the Offer to Purchase and Contract](#)**
 - 3.1. ¶ 2(c) – New verbiage added to stress the seller’s duty in Form 2-T to unpair their smart devices and delete personal data as part of the closing process.
 - 3.2. ¶ 8(h) – New verbiage added to further explain how paragraph 8(h) should operate in Form 2-T.
4. **[Form 2A7-T – Buyer Possession After Closing Agreement](#)**
 - 4.1. ¶ 2 – Language added making clear that buyer waives their rights under paragraph 8(h) in Form 2-T by taking possession prior to closing.

5. [Form 2A11-T – Additional Provisions Addendum](#)

- 5.1. ¶ 2 – Language stricken to make clear that agents may use this form with Form 12-T (Vacant Land Offer to Purchase and Contract) in order to indicate when the seller must complete clearing the property for septic tests and inspections.

6. [Form 4-T – Agreement to Amend Contract](#)

- 6.1. Checkbox added to easily add a buyer to a purchase contract.

7. **NEW** [Form 10-T – Estate Property Flowchart](#) – Agents often call the Legal Hotline looking for help with estate properties. This flowchart will help agents identify, even at the agency contract stage, who needs to sign documents when it comes to estate properties. It is anticipated that this will be a very valuable addition to the forms library.

8. [Form 12-T – Offer to Purchase and Contract – Vacant Lot/Land](#)

- 8.1. ¶ 1(j) – See 2.2
- 8.2. ¶ 3(d) – New paragraph added to give the buyer a limited 3-day right to terminate if they do not receive a Vacant Land Disclosure Statement (Form 142) prior to an offer’s being made. Currently, the law does not require disclosures in vacant land sales. The new form, Form 142, in conjunction with this new operative language in the contract, will make disclosures required by contract, NOT by law. The disclosures will work nearly identically to the current RPOADS and MOG forms from the North Carolina Real Estate Commission, and the seller will have the option to make a representation or check “no representation” for each disclosure question.

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

- 9.1. ¶ 3(d) – New language added to accommodate 8.2 herein.
- 9.2. ¶ 7(h) – See 3.2.

10. [Form 101 – Exclusive Right to Sell Listing Agreement](#)

- 10.1. ¶ 7(e) – **NAR Settlement Edit**. Language added to make clear that broker compensation is fully negotiable, not set by law, and is determined by each broker and firm individually. Further, language added to require the client’s consent if compensation is offered that is more than agreed to by the client in the agency contract. All these edits are required by the settlement.

It should be noted that the answer “no” can part of any negotiation. An agent or firm is permitted to determine the value of their services, so long as that value is not set, determined, coordinated, or in any way unlawfully affected by what a competitor might charge or is charging. Firms are strongly encouraged to discuss their compensation policies with their own lawyer to ensure compliance with antitrust laws.

- 10.2. ¶ 8 – **NAR Settlement Edit**. Initial lines added for the seller to affirm they understand that cooperating compensation is not required.
- 10.3. ¶ 11(b) – New paragraph added instructing the listing agent to inform buyers that any Due Diligence Fee must be paid to either seller or another party. See ¶ 2.1.
- 10.4. ¶ 12(i) – Checkboxes added for the seller to make disclosures to their agent regarding wetlands and other water issues. These issues are often material facts that listing agents need to know, and the checkboxes will provide a risk management benefit by giving listing agents that information.
- 10.5. ¶ 12(s) – Checkboxes added so the seller can indicate if they are working with a relocation company.

11. [Form 103 – Exclusive Right to Sell Listing Agreement \(Vacant Lot/Land\)](#)

- 11.1. ¶ 4(e) – See 10.1.
- 11.2. ¶ 9(g) – See 10.4
- 11.3. ¶ 9(n) – See 10.5.

12. [Form 110 – Seller Estimated Net Sheet](#) – Technical edits made to include the Settlement Date and Due Diligence Fee in seller net calculations.

13. **NEW** [Form 142 – Vacant Land Disclosure Statement](#) – New form created to allow the seller to make disclosures regarding vacant land. This disclosure is required by the new language in Form 12-T as noted in ¶ 8.2 herein, however, the seller has the right to make no representation if they wish.

14. **NEW** [Form 170 – Closing Guidelines for Seller](#) – These new guidelines provide a simple, one page list of common items seller’s need to complete as part of closing. This form will make it easier for listing agents to explain what their clients must do, and will hopefully make the move out transition easier to understand.

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

- 15.1. Preliminary – The preamble has been broken up for easier reading and to emphasize the buyer’s representations to their agent. Checkboxes also added for buyer to disclose whether they are working with a relocation company.
- 15.2. ¶ 4 – **NAR Settlement Edit**. The edits in this paragraph make clear that the buyer and buyer agent have agreed to compensation, and if other compensation is offered to the buyer agent, then the buyer agent must obtain the buyer’s consent for such other compensation, including cooperating compensation over the amount agreed to in this agency agreement. If a buyer agent negotiates cooperating compensation that is different from what is agreed to in this agency contract, then the buyer agent and the buyer can either execute Form 770 or Form 710 to show that the buyer agrees to the different compensation. Changes also adopted here to indicate that buyer agent’s services are not free, are fully negotiable, not set by law.

As with the edits to Form 101, it should be noted that the answer “no” can part of any negotiation. An agent or firm is permitted to determine the value of their services, so long as that value is not set, determined, coordinated, or in any way unlawfully affected by what a competitor might charge or is charging. Firms are strongly encouraged to discuss their compensation policies with their own lawyer to ensure compliance with antitrust laws.

16. [Form 203 – Non-Exclusive Buyer Agency Agreement](#)

- 16.1. ¶ 3 – **NAR Settlement Edit**. Changes made to make clear that buyer consent is necessary for cooperating compensation and that compensation is not fixed by law and fully negotiable.

17. **RE-DRAFT** [Form 220 – Cooperating Compensation Agreement](#)

- 17.1. **NAR Settlement Edit**. This form was formerly titled “Confirmation of Compensation, Agency, and Appointment.” It has been renamed and completely re-drafted to help facilitate agents’ navigating the anticipated MLS rules and Code of Ethics changes scheduled to roll out July 2024.

This form now helps facilitate a contract for cooperating compensation between the selling firm, i.e., the buyer’s agent, and either the seller or the listing firm. If the listing firm and the seller have agreed to an amount of cooperating compensation to be offered in Form 101, then this form can be used to document the amount of cooperating compensation the listing firm will pay to the selling firm at closing. If the seller has not authorized cooperative compensation in their agency agreement with the listing firm, then this form can be used for the seller to enter into an agreement for cooperating compensation directly with the buyer agent without the listing firm having to be involved.

If both the seller and the listing firm agree to pay cooperating compensation to the buyer agent in the same transaction, then both the seller and the listing firm can execute this form separately with the buyer agent; or, the seller and listing agent can adjust their agency agreement in conjunction with using this form.

**** There will not be one right way to document cooperating compensation. ****

This form will be just one tool to be used. The standard form agency agreements, Form 770, and Form 710 will all be used with this form to document how compensation should be allocated at closing. Agents should consult with their clients, their lawyers, the closing attorney, and the NC REALTORS® Legal Hotline, as applicable, to make sure that compensation is being properly agreed to and documented once cooperating compensation is no longer part of the MLS.

18. SUSPENDED Form 220G – Guidelines to Confirmation of Compensation, Agency, and Appointment

19. [Form 350-T – Termination of Contract \(Form 2-T\) by Notice to Seller from Buyer](#)

- 19.1. Page 2 – Edits made to make clear that the seller is not agreeing to the buyer’s reason for terminating. This is an important edit that will help seller’s feel more comfortable releasing the Earnest Money Deposit, even if they disagree with the buyer’s stated position for terminating the contract.

20. [Form 351-T – Termination of Contract \(Form 12-T – Vacant Lot/Land\) by Notice to Seller from Buyer](#)

- 20.1. See 19.1.

21. [Form 720 – Termination of Agency Agreement](#)

- 21.1. ¶ 5 – Edit made to protect the agent if the expense reimbursement is not, in fact, received at the time this termination is executed.

22. [Form 730 – Referral Agreement](#)

- 22.1. Technical edits made to make clear when a referral fee is earned and then due and payable.

23. [Form 760 – Professional Services Disclosure](#)

- 23.1. Sewer inspections added to the standard list of services to be considered by a buyer.

24. [Form 770 – Disclosure of Compensation](#)

- 24.1. **NAR Settlement Edit.** Language added to indicate that the buyer is both acknowledging and consenting to the compensation stated in the form.

25. [Form 780 – Overview of Standard Contract](#)

- 25.1. This form was substantially edited by a task force over several months. Some sections were moved, some sections were heavily edited, and some sections are new to the form. Collectively, these edits will continue to make this form a popular tool and help clients understand Form 2-T in simple, easy to understand terminology. Once approved, this version should be translated into Spanish.

26. MAJOR EDITS [Form 800-T – Offer to Purchase and Contract – New Construction](#)

- 26.1. This new version of Form 800-T was created by a task force over the course of many months with input from REALTORS® and closing attorneys. The old version was difficult to navigate and did not reflect how new construction transactions actually unfold in practice. These edits, collectively, will make this

form much easier to use and understand. These edits will further give more clarity to the parties in the transaction.

26.2. Major edits to this form include:

- 26.2.1. Building Deposits eliminated and replaced with Construction Fees;
- 26.2.2. Mandatory detailed plans and specifications are itemized and must be attached to the form to make sure the scope of the build is clear to all parties;
- 26.2.3. A mechanism for Construction Fees to be refunded if there is a material breach of contract by the seller;
- 26.2.4. Standard triggering events for when Construction Fees must be paid;
- 26.2.5. A requirement that any significant deviation from the Plans and Specifications must be agreed to in writing via a Change Order; and
- 26.2.6. Deadlines built into each phase of construction so that builders cannot indefinitely delay closing due to either alleged or actual construction delays.

27. SUSPENDED Form 800G – Guidelines to Offer to Purchase and Contract – New Construction – Given the edits to Form 800-T to make it more user-friendly, it is hoped that the guidelines will not be necessary. However, the Forms Committee is going to receive input from members, and if the guidelines need to be revived, they will be edited and released next cycle.