



**Alabama Real Estate Commission**  
Empowering | Connecting | Educating  
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## **BRIEFLY LEGAL AND COMMISSION NOTE**

### **Estimated Closing Statements (Net Sheets) Requirements**

February 13, 2019

#### **TODAY'S QUESTION**

When and why are Estimated Closing Statements (Net sheets) required?

#### **THE ANSWER**

- In a residential transaction, you must provide a net sheet to your client or customer each time an offer or counter-offer is presented. This must contain your best estimate of all costs of items your client or customer will be expected to pay.
- You must prepare this and ask your client or customer to sign it.
- Do not just use the net sheet provided by a mortgage company. Use your own estimates.
- You do not have to provide a net sheet when you get a listing or at closing. It is only required every time you prepare or receive a written offer or counteroffer.
- You must keep net sheets for 3 years, like all other documents whether or not the transaction closes.
- Net sheets are required to give a consumer, buyer or seller, an estimate of costs they are either expected to pay or receive. The consumer will be better prepared to make an informed decision and better prepared for the closing.

#### **COMMISSION NOTE**

There are numerous forms available for your use on the Commission's website at [arec.alabama.gov](http://arec.alabama.gov). On the menu, go to "Forms" at the top right of the page to find a list of all forms. The Commission uses Adobe Acrobat fillable PDF versions of forms, such as the multiple broker application, salesperson original application, company license application and more. You can download, and print completed forms for signature and include required documents and/or fees to be delivered or mailed to the Commission. If you want to save a completed form, you must download it to your computer before filling it out. Your information will not be saved if you fill out the form while it is open online and then download it. Therefore, remember it is always a good idea to download the form first so you can save a completed copy.

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