

FinCEN

Residential Real Estate Reporting

What REALTORS® Need to Know

Effective March 1, 2026

*What is the Rule?
What Counts?
Who Files?*



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Residential Real Estate Reporting

What's Changing?

Beginning March 1, 2026, certain real estate professionals must report specific residential transactions to FinCEN.

This applies to certain non-financed transfers of residential real estate to entities or trusts.

In most cases, the reporting responsibility will fall to the title company or settlement professional, not the broker.

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When Is a Transfer Reportable?

A transfer is reportable when all four conditions are met:

- 1 Property is residential
- 2 Transfer is non-financed
- 3 Buyer is an entity or trust
- 4 No exception applies

*Miss one of these? Not reportable.
Handled correctly, this process typically runs through title at closing.*

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What Counts as "Residential"?

Residential real property includes:

- 1-4 family homes
- Vacant land intended for 1-4 family build
- Condo or unit for 1-4 families
- Shares in a co-op

Yes, that means most typical residential transactions qualify.

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What Is "Non-Financed"?

A non-financed transfer is one that does not involve credit extended by a financial institution that is subject to AML and SAR rules.

*In practical terms:
Most true all-cash entity purchases.*

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Who Files the Report?

In most residential transactions, this responsibility will likely fall to the title company or closing/settlement professional.

Only one person per transaction files the Real Estate Report. Often this will be:

- A closing or settlement agent
- The person preparing the settlement statement
- A title professional

For most brokers, this means awareness and coordination, not filing.

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What Gets Reported?

The Real Estate Report includes information about:

- The reporting person
- The property
- The transferee entity or trust and its beneficial owners
- The transferor
- Payment details

It is filed electronically through FinCEN's BSA E-Filing System.

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Filing Deadline

A report must be filed by the later of

- The last day of the month following closing,
or
- 30 calendar days after closing

Put that on your compliance radar.

*Brokers: You May Not be Filing the Report.
But You Should Understand It.*

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Are There Exceptions?

Yes. Certain transfers, entities, and trusts are exempt. Examples include:

- Transfers due to death
- Divorce-related transfers
- Bankruptcy-related transfers
- Transfers to certain regulated financial institutions

Always evaluate the specific facts.

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What This Means for Brokers

FinCEN states this rule is designed to increase transparency in residential real estate and combat money laundering.

New Mexico Association of REALTORS® has added language to the Purchase Agreement to notify buyers of this new federal reporting requirement and process.

Preparation beats last-minute surprises.

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Learn more at gaar.com