

FinCEN

Residential Real Estate Reporting

Beginning **March 1, 2026**, certain professionals involved in residential real estate closings must report specific non-financed (generally all-cash) transfers of residential real estate to legal entities or trusts to the Financial Crimes Enforcement Network (FinCEN).

This rule is part of FinCEN's broader **Residential Real Estate Rule**, designed to increase transparency and deter money laundering in the U.S. housing market.

WHEN IS A TRANSACTION REPORTABLE?

A transfer is reportable only if **all four conditions** are met:

1. The property is residential real property
2. The transfer is non-financed
3. The buyer is a legal entity or trust
4. No exception applies

WHAT COUNTS AS RESIDENTIAL REAL PROPERTY?

Property located in the U.S. that includes:

- 1-4 family residential structures
- Land intended for a 1-4 family build
- Individual residential units
- Cooperative housing shares

WHAT IS A "NON-FINANCED" TRANSFER?

A transfer that does **NOT** involve credit that is:

- Secured by the property
and
- Extended by a financial institution subject to AML and SAR requirements

Traditional lender-financed transactions are generally not reportable. Most reportable transactions will involve all-cash purchases or certain private lending scenarios.



Important Exceptions, Who Files, What is Filed, Filing Deadlines



Official FAQs, guidance, and updates are available at: fincen.gov/rre

FinCEN Residential Real Estate Reporting Rule

IMPORTANT EXCEPTIONS



Some transfers do **NOT** require reporting, including:

- Transfers due to death
- Divorce or dissolution
- Bankruptcy estate transfers
- Court-supervised transfers
- Certain 1031 exchanges
- Transfers to specific regulated entities

Each transaction must be evaluated individually.

WHO FILES THE REPORT?

In most cases, the **closing or settlement agent** will file the report.

FinCEN uses a “reporting cascade” to determine responsibility, and only one reporting person per transaction must file.

If none of the listed reporting functions are performed, a report is not required.

WHAT IS FILED?

The required filing is called a **Real Estate Report (RER)** and includes:

- Reporting person information
- Property details
- Transferee entity or trust information, including beneficial owners
- Transferor information
- Payment details

FILING DEADLINE

The Real Estate Report must be filed by the later of:

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

Reports are filed electronically beginning March 1, 2026.

WHAT REALTORS® & THEIR CLIENTS SHOULD KNOW

- This primarily impacts **title companies and settlement agents**.
- Some closings may require additional buyer documentation.
- Client information submitted to FinCEN is securely maintained and not public.
- Non-compliance can result in civil penalties, IRS examinations, or criminal referrals in willful cases.