FinCEN
Real Estate Reporting

What Agents Need to Know – Effective March 1, 2026

This report is filed with FinCEN & is not recorded in land records or publicly searchable.

Privacy concerns will be the first objection agents hear.

Address it before it's asked.

A Brief
HISTORY

1970
Congress passed the Bank Secrecy Act requiring anti-money laundering programs for financial institutions.

1988
Real estate closings were identified in federal law as potential money-laundering risk areas, but rulemaking was deferred.

2024
FinCEN finalized the Residential Real Estate Reporting Rule, requiring certain residential transactions to be reported to the U.S. Treasury.

What are FinCEN Real Estate Reports?

- The real estate report is a new federal anti money laundering report led with the U.S. Treasury (FinCEN) for certain residential real estate transfers starting in 2026.
- It is NOT a public record.
- Simple structures often take 5 minutes. Complex entities or trusts can take longer.

Process & Timing

- Settlement typically emails a secure link to a short online form. Completing it promptly reduces closing friction.
- Settlement needs the information before closing per federal requirements.

When is it Required?

Expect a report when ALL are true:
- Residential property
- Buyer is an entity (LLC, corporation, partnership) or a trust
- No traditional bank mortgage (cash, private, hard money, seller nancing often triggers)

See the flowchart on the other side of this handout
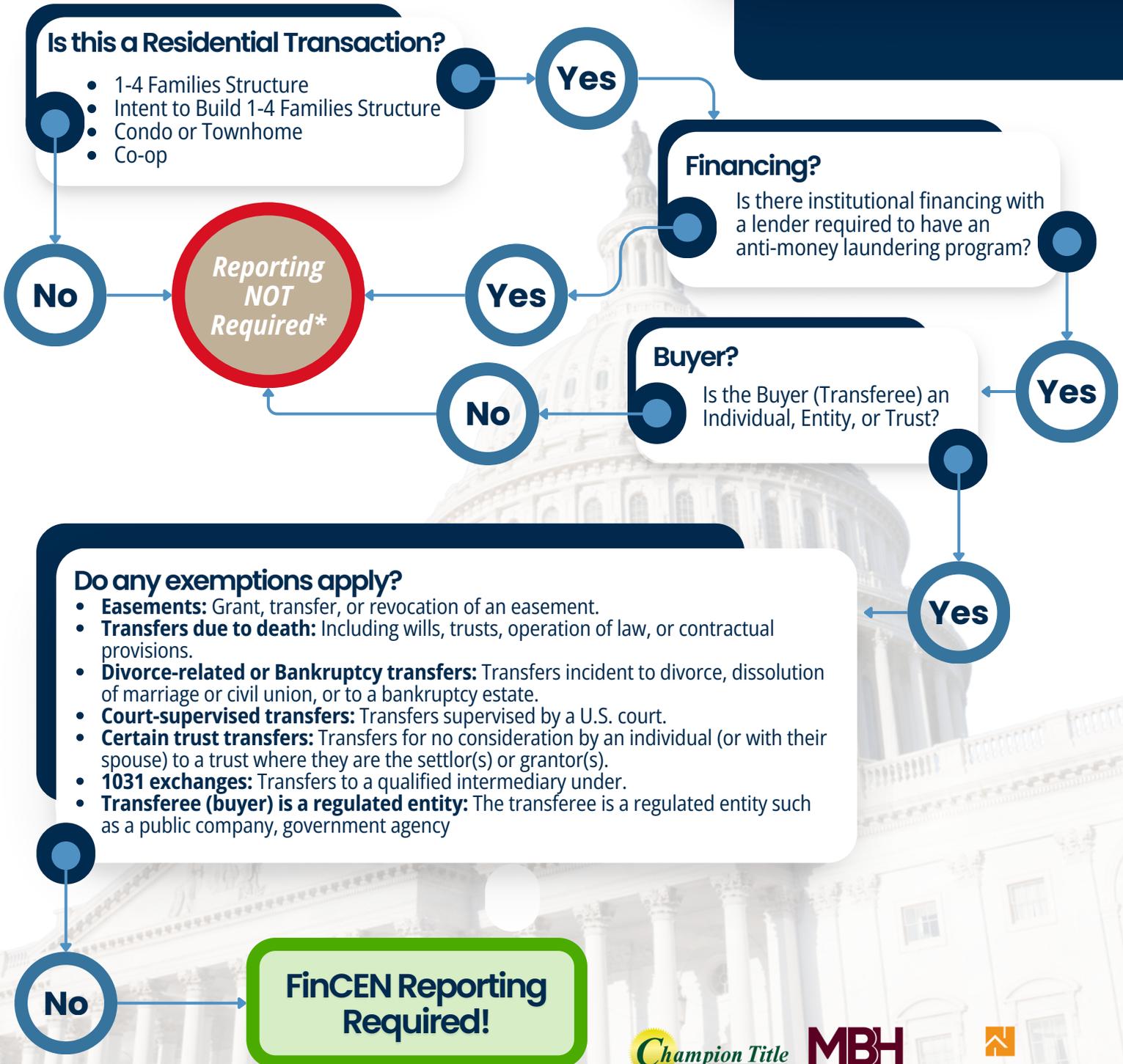
Documentation Requirements

- Certain information will be required from buyers, and limited information may be required from sellers.
- The title company will securely collect and all required documentation in accordance with federal regulations.

Champion Title & SETTLEMENTS, INC.

MBH Settlement Group

DISTRICT TITLE

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FinCEN Flow Chart

Residential Real Estate Decision Framework
Effective March 1, 2026

Is this a Residential Transaction?

- 1-4 Families Structure
- Intent to Build 1-4 Families Structure
- Condo or Townhome
- Co-op

Yes

No

Financing?
Is there institutional financing with a lender required to have an anti-money laundering program?

Yes → **Reporting NOT Required***

Yes

Buyer?
Is the Buyer (Transferee) an Individual, Entity, or Trust?

No

Yes

Do any exemptions apply?

- **Easements:** Grant, transfer, or revocation of an easement.
- **Transfers due to death:** Including wills, trusts, operation of law, or contractual provisions.
- **Divorce-related or Bankruptcy transfers:** Transfers incident to divorce, dissolution of marriage or civil union, or to a bankruptcy estate.
- **Court-supervised transfers:** Transfers supervised by a U.S. court.
- **Certain trust transfers:** Transfers for no consideration by an individual (or with their spouse) to a trust where they are the settlor(s) or grantor(s).
- **1031 exchanges:** Transfers to a qualified intermediary under.
- **Transferee (buyer) is a regulated entity:** The transferee is a regulated entity such as a public company, government agency

No → **FinCEN Reporting Required!**

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