

NEW FINCEN RULE FOR REAL ESTATE

WHAT REALTORS, BUYERS &
SELLERS NEED TO KNOW

Effective March 1, 2026



As of March 1, 2026, the FinCEN will require certain non-financed residential real estate transactions to be reported when the buyer is a legal entity or a trust. The new rule aims to increase transparency in the real estate market and help prevent money laundering and hidden ownership of property.

WHICH TRANSACTIONS ARE AFFECTED?

A report is generally required if ALL three apply:

Residential Property

1–4 family homes, condos, townhomes, co-ops, or land intended for residential construction.

Buyer is an Entity or Trust

The property is purchased by an LLC, partnership, corporation, or trust (not an individual).

Non-Traditional Financing

The purchase is all-cash or financed without a traditional institutional lender that has anti-money-laundering requirements.

COMMON EXEMPTIONS

A report is generally not required for certain transfers, including:

- **Transfers due to death or divorce**
- **Certain bankruptcy transfers**
- **Transactions where a regulated lender provides financing**
- **Certain highly regulated entities or trusts**

WHO FILES THE REPORT?

Typically the settlement or title company will file the report as part of the closing process.

- ♣ This requirement comes from the federal government.
- ♣ Title companies are required to collect and submit the information.
- ♣ The information is not public.

WHAT REALTORS SHOULD KNOW

Real estate agents play an important role in keeping transactions smooth. Early communication can help avoid delays. Agents should:

- ♣ Ask early if the buyer is purchasing through an LLC or trust.
- ♣ Communicate with the title/settlement company as soon as possible.
- ♣ Help buyers gather required ownership and identification information.
- ♣ Expect additional documentation before closing.

