

Beginning March 1, 2026, certain real estate professionals involved in real estate closings and settlements nationwide are required to report information to FinCEN about non-financed transfers of residential real estate.



A transfer is reportable when all four conditions are met:

1. The real property is residential;
2. The transfer is non-financed;
3. The property is transferred to a certain type of entity or trust; **and**
4. An exception does not apply.



What is residential real property?

A property meets the definition of **residential real property** if it is located in the United States *and* the property is:

- Real property containing a structure designed principally for occupancy by one to four families;
- Land on which the transferee intends to build a structure designed principally for occupancy by one to four families;
- A unit designed principally for occupancy by one to four families within a structure on land; or
- Shares in a cooperative housing corporation.



What is a non-financed transfer?

A **non-financed transfer** of residential real property is a transfer that does not involve an extension of credit to all transferees (the entity or entities buying or receiving the property) that is both:

- Secured by the transferred property; and
- Extended by a financial institution subject to anti-money laundering (AML) program requirements and Suspicious Activity Report (SAR) obligations.

Transfers that are financed by a lender without an obligation to maintain an AML program and a requirement to file SARs are treated under the rule as non-financed transfers that must be reported if other criteria making a transfer reportable are met.



What is a transferee entity and a transferee trust?

A **transferee entity** is defined as any person other than a transferee trust or an individual. For example, a transferee entity may be a corporation, partnership, estate, association, or limited liability company.

Statutory trusts, which are trusts created or authorized under the Uniform Statutory Trust Entity Act or as enacted by a state, are also considered transferee entities, rather than transferee trusts, for the purposes of this reporting requirement. There are 16 kinds of entities that are exempt from the definition of a transferee entity.

A **transferee entity** is any legal arrangement created when a grantor or settlor places assets under the control of a trustee for the benefit of one or more beneficiaries or for a specified purpose, whether formed under the United States or a foreign jurisdiction. A transferee trust also includes legal arrangements that are similar to such legal arrangements in either structure or function. However, certain types of trusts are exempted from the definition of a transferee trust.



Filing Deadline

A Real Estate Report must be filed by the later date of:

- The last day of the month following the month that closing occurred; or
- 30 calendar days after the date of closing.

Have questions?

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