Residential Real Estate Reporting:
Common Questions & Answers

RRE
Residential Real Estate Reporting

What is the residential Real Estate Report?

Certain professionals involved in real estate closing and settlements are required to submit reports to FinCEN regarding non-financed transfers of residential real estate to certain types of legal entities or trusts. This requirement applies only to certain kinds of transfers of real property known as "reportable transfers."

- **What is FinCEN?** The Financial Crimes Enforcement Network is a bureau of the Treasury Department tasked with safeguarding the United States financial system from illicit activity, such as money laundering and terrorist financing.
- **What information is included in the report?** The report must identify: (1) the property being transferred; (2) each legal entity or trust receiving the property; (3) each beneficial owner of the legal entity or trust; (4) each signing individual; (5) each individual, entity, or trust transferring the property; and (6) any payments made for the property.

Why am I being asked to provide this information?

While there are many legitimate reasons to buy real estate in cash using a company or a trust, the use of legal entities and trusts to purchase residential property can be used for money laundering.

- Cartels, foreign dictators, and fraudsters use opaque legal and trust structures to anonymously buy American homes with dirty money.
- This can distort markets and disadvantage legitimate buyers and sellers. Hiding behind legal entities and trusts to purchase residential property obscures ownership, shielding criminals from investigation, and also allows criminals to exploit the real estate market, which can increase home prices, making it harder for legitimate buyers to purchase real estate.

How will my information be protected?

- Real Estate Reports will be securely filed with FinCEN.
- Real Estate Reports will be maintained by FinCEN in a secure database with strict limits on authorized access and use.
- **Real Estate Reports are <u>not</u> accessible to the general public**.

Who is required to file a report?

In most cases, reports will be filed by the closing or settlement agent, or another real estate professional involved in the settlement of the transfer of property.

When does reporting begin?

A Real Estate Report must be filed for any reportable transfer occurring on or after March 1, 2026. Beginning on March 1, 2026, Real Estate Reports generally must be filed 30 to 60 days after the date of closing.

Where can I find more information?

More information is available at fincen.gov/rre. This webpage includes frequently asked questions as well as a contact center that can assist with your reporting questions.