



Residential Real Estate Reporting Frequently Asked Questions



These Frequently Asked Questions (FAQs) are explanatory only and do not supplement or modify any obligations imposed by statute or regulation. Please refer to the Anti-Money Laundering Regulations for Residential Real Estate Transfers rule (Residential Real Estate Rule), available at <https://www.fincen.gov/rre>, for further details. The FAQs published below supersede any prior FAQs that have been issued. FinCEN expects to publish further guidance in the future. Questions may be submitted on FinCEN's [Contact Us](#) web page.

A. General Questions

A.1. What is the Real Estate Report?

The Real Estate Report is a form issued by FinCEN for the purpose of reporting information on transfers of certain residential real estate that are a high risk for illicit finance, as required by 31 CFR 1031.320.

Information provided on Real Estate Reports is meant to help combat and deter money laundering by increasing transparency in the U.S. residential real estate sector. Although there are many legitimate reasons to use legal entities and trusts to own residential real property, illicit actors intent on laundering funds through residential real property often use legal entities and trusts to disguise their identities and make the proceeds of crime more difficult to identify. Illicit actors often favor non-financed transfers (including "all-cash" sales) of residential real estate to avoid scrutiny from financial institutions that have anti-money laundering and countering the financing of terrorism program and Suspicious Activity Report filing requirements under the Bank Secrecy Act.

[Updated February 13, 2026]

A.2. Who can access Real Estate Reports?

Real Estate Reports will be maintained by FinCEN in a secure database along with other Bank Secrecy Act (BSA) reports and, like any other BSA report, will be subject to strict limits on use and re-dissemination. Real Estate Reports will not be accessible to the general public.

[Issued February 13, 2026]

A.3. Will FinCEN disclose Real Estate Reports to members of the public under the Freedom of Information Act (FOIA)?

No. Real Estate Reports are exempt from disclosure under FOIA.

[Issued February 13, 2026]

B. Residential Real Property

B.1. What is residential real property?

Under the Residential Real Estate Rule, residential real property means:

1. Real property located in the United States containing a structure designed principally for occupancy by one to four families;
2. Land located in the United States on which the transferee intends to build a structure designed principally for occupancy by one to four families;

3. A unit designed principally for occupancy by one to four families within a structure on land located in the United States; or
4. Shares in a cooperative housing corporation for which the underlying property is located in the United States.

Residential real property therefore includes single-family houses, townhouses, condominiums, and cooperatives, including condominiums and cooperatives in large buildings containing many such units, as well as entire buildings designed for occupancy by one to four families. These types of properties are considered residential real property even if there is also a commercial element—a single-family residence that is located above a commercial enterprise, for example.

Certain types of land on which a residence is not yet built are also included if the transferee intends to build on the property one or more structures designed principally for occupancy by one to four families. The reporting person may reasonably rely on information provided by the transferee to determine such intent, but only if the reporting person does not have knowledge of facts that would reasonably call into question the reliability of the information.

[Updated February 13, 2026]

B.2. Does residential real estate include property located in U.S. territories and Indian lands?

Yes. A transfer of residential real property is reportable if the property is located in a State of the United States, the District of Columbia, Indian lands (as that term is defined in Section 4 of the Indian Gaming Regulatory Act, 25 U.S.C. 2703), Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, or any other territory or possession of the United States.

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B.3. Can an apartment building be residential real property?

Yes. Real property located in the United States containing an entire apartment building could be residential real property under the rule if the building itself is designed principally for occupancy by one to four families. Alternatively, an entire apartment building designed principally for occupancy by more than four families does not meet the definition of residential real property.

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B.4. Can a condominium be residential real property?

Yes. If the condominium is a unit designed principally for occupancy by one to four families within a structure on land located in the United States, then it meets the definition of residential real property. This would include a condominium in a large building containing many such units. However, a condominium designed principally for occupancy by more than four families does not meet the definition of residential real property.

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B.5. A transferee entity or trust receives undeveloped land in a non-financed transfer. If the transferee is undecided on how the land will be used, does the land meet the definition of residential real property?

No. The definition of residential real property includes vacant or unimproved land located in the United States on which the transferee intends to build a structure designed principally

for occupancy by one to four families. If a transferee has no intent at the time of the transfer to build a structure designed principally for occupancy by one to four families, the vacant land does not meet the definition of residential real property. The vacant land would meet the definition of residential real property if the transferee expresses intent to build a structure designed principally for occupancy by one to four families.

The reporting person may reasonably rely on information provided by the transferee to determine the transferee's intent for the land, absent knowledge of facts that would reasonably call into question the reliability of the information provided to the reporting person.

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B.6. A developer uses a transferee entity to purchase multiple vacant lots in a non-financed transfer. The vacant lots will be developed as a community and eventually a single-family home will be built on each lot. However, the developer will not be the eventual builder; the builder will be a third party. Do the vacant lots meet the definition of residential real property?

The definition of residential real property includes land located in the United States on which the transferee intends to build a structure designed principally for occupancy by one to four families. If the developer, as a transferee, intends to retain ownership of the lots while the builder builds single-family homes, then the properties are residential real property.

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B.7. A developer uses a transferee entity to purchase one large parcel of land in a non-financed transfer. At the time of the purchase, the developer intends to subdivide the land in order to build a community with single-family homes. Does the large parcel of land meet the definition of residential real property?

Yes. Residential real property includes land located in the United States on which the transferee intends to build a structure designed principally for occupancy by one to four families. At the time of the transfer, the developer (*i.e.*, the transferee) intended to build at least one such structure on the property, therefore the parcel of land meets the definition of residential real property.

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B.8. Is the transfer of a timeshare property considered a transfer of residential real property?

It depends. A transfer of residential real property is any transfer of an ownership interest in residential real property. Ownership interest means rights held in residential real estate property that are demonstrated via a deed or, in the case of a cooperative housing corporation, through stock, shares, membership, certificate, or other contractual agreement evidencing ownership. Accordingly, if a timeshare property meets the definition of residential real property (see Question B.1) and the ownership interest in the timeshare is transferred by deed or, in the case of a cooperative housing corporation, through stock, shares, membership, certificate, or other contractual agreement evidencing ownership, then it is considered a transfer of residential real property.

However, if a timeshare property meets the definition of residential real property but the transfer is of an interest in an assignment contract, it would not be considered a transfer of residential real property.

[Issued February 13, 2026]

C. Non-Financed Transfers

C.1. 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 (1) secured by the transferred property and (2) extended by a financial institution subject to anti-money laundering (AML) program requirements and Suspicious Activity Report (SAR) reporting 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.

[Updated February 13, 2026]

C.2. Are partially financed transfers reportable?

A partially financed transfer involving one transferee who, for example, puts down a 50 percent down payment and obtains a mortgage to finance the rest of the transfer, is not reportable. However, a partially financed transfer involving multiple transferees, where relevant financing is secured by some, but not all, of the transferees, would be reportable with respect to each transferee that did not secure such financing.

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C.3. How can I determine if a lender has an obligation to maintain an anti-money laundering program (AML) program and a requirement to file Suspicious Activity Reports (SARs)?

FinCEN's regulations set forth the types of financial institutions that have an obligation to maintain an AML program and a requirement to file SARs. However, if reporting persons are unsure as to whether the lending institution involved in a transfer has both an obligation to maintain an AML program and to file SARs, they should reach out to that lending institution. When determining whether a transfer is non-financed and making any other determination necessary to comply with the rule, the reporting person generally may rely on information provided by any other person if the reporting person does not have knowledge of facts that would reasonably call into question the reliability of the information provided to the reporting person.

As an example, in the context of ascertaining whether particular transfers are "non-financed transfers," a reporting person may rely on the information provided by the relevant lender extending credit secured by the underlying residential real property as to whether the lender has an obligation to maintain an AML program and an obligation to report suspicious transactions under 31 CFR Chapter X, provided the reporting person does not have reason to question the lender's information (e.g., if the lender were to represent that he or she (as a natural person) is subject to AML program obligations).

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C.4. Transfers of residential real estate are not reportable if they involve an extension of credit to all transferees by a financial institution that has both an obligation to maintain an anti-money laundering program (AML) and an obligation to report suspicious transactions. What are examples of such institutions?

Financial institutions subject to AML program requirements and an obligation to report suspicious transactions include, for example:

- Banks;
- Credit unions;
- Savings and loan associations;

- Residential mortgage lenders and originators, generally known as “mortgage companies” and “mortgage brokers”;
- Federal National Mortgage Association (Fannie Mae); and
- Federal Home Loan Mortgage Corporation (Freddie Mac).

If a reporting person is unsure whether a lending institution is subject to these obligations and requirements, the reporting person may wish to ask the lending institution directly. The reporting person may rely on information provided by any other person for purposes of reporting information or to make a determination necessary to comply with the final rule, but only if the reporting person does not have knowledge of facts that would reasonably call into question the reliability of the information.

[Issued February 13, 2026]

D. Reportable Transferees

D.1. What is a transferee entity?

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.

Certain regulated entities are excepted and not considered transferee entities under this requirement. The following table summarizes the 16 exceptions:

Exception	Exception Short Title
1	Securities reporting issuer (as defined in 31 CFR 1010.380(c)(2)(i))
2	Governmental authority (as defined in 31 CFR 1010.380(c)(2)(ii))
3	Bank (as defined in 31 CFR 1010.380(c)(2)(iii))
4	Credit union (as defined in 31 CFR 1010.380(c)(2)(iv))
5	Depository institution holding company (as defined in 31 CFR 1010.380(c)(2)(v))
6	Money services business (as defined in 31 CFR 1010.380(c)(2)(vi))
7	Broker or dealer in securities (as defined in 31 CFR 1010.380(c)(2)(vii))
8	Securities exchange or clearing agency (as defined in 31 CFR 1010.380(c)(2)(viii))
9	Other Exchange Act registered entity (as defined in 31 CFR 1010.380(c)(2)(ix))
10	Insurance company (as defined in 31 CFR 1010.380(c)(2)(xii))
11	State-licensed insurance producer (as defined in 31 CFR 1010.380(c)(2)(xiii))
12	Commodity Exchange Act registered entity (as defined in 31 CFR 1010.380(c)(2)(xiv))
13	Public utility (as defined in 31 CFR 1010.380(c)(2)(xvi))
14	Financial market utility (as defined in 31 CFR 1010.380(c)(2)(xvii))
15	Registered investment company (as defined in 15 U.S.C. 80a-3(a))
16	Subsidiary of an excepted entity

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D.2. What is a transferee trust?

A transferee trust is any legal arrangement created when a person—generally known as 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 laws of 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. A trust is considered a “transferee trust” regardless of whether the residential real property being transferred is titled in the name of the trust itself or in the name of the trustee.

However, certain types of trusts are excepted. The following table summarizes the four exceptions:

Exception	Exception Short Title
1	Securities reporting issuer (as defined in 31 CFR 1010.380(c)(2)(i))
2	Trustee that is a securities reporting issuer (as defined in 31 CFR 1010.380(c)(2)(i))
3	Statutory trust (such a trust is treated as a transferee entity, not a transferee trust)
4	Subsidiary of an excepted trust

Not all transfers of residential real property to a transferee trust are reportable. For example, depending on the particular facts and circumstances of a trust arrangement, a transfer to a trust may not be reportable due to the exception for specific “no consideration” transfers to trusts described in Question E.3.

In addition, transfers to certain trusts, such as testamentary trusts, are not captured by the reporting requirement, as such trusts are created by wills and therefore fall within the exception for transfers occurring as a result of death, as described in Question E.3.

[Updated February 13, 2026]

D.3. Does the definition of a transferee entity or transferee trust take into account where the entity or trust is incorporated, registered, or otherwise located?

No. A transferee entity or transferee trust may be located anywhere in the world. The rule’s reporting requirement is focused on the location of the residential real property being transferred, rather than on the location of the parties involved in the transfer.

[Issued February 13, 2026]

D.4. May a reportable transfer have more than one transferee entity or transferee trust?

Yes, a reportable transfer may involve one or more transferee entities and/or transferee trusts in any combination. For example, if residential real property is transferred to both a legal entity and a trust in the same sale or gift, both transferees would need to be reported in a single report.

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D.5. What if there are multiple transferees, some of which are excepted?

As long as at least one of the transferees in a given transfer is a transferee entity or transferee trust, the transfer may be reportable. However, the Rule only requires identifying information about transferees that are either a transferee entity or transferee trust.

[Updated February 13, 2026]

D.6. Is an Individual Retirement Arrangement (IRA) considered a type of transferee trust?

It depends. A transferee trust is defined as any legal arrangement created when a person places assets under the control of a trustee for the benefit of one or more persons or for a specified purpose, as well as any legal arrangement similar in structure or function. A trust is deemed to be a transferee trust regardless of whether residential real property is titled in the name of the trust itself or in the name of the trustee in the trustee's capacity as the trustee of the trust (see Question D.2).

Some retirement vehicles are structured as custodial trust arrangements overseen by a trustee or custodian. In a non-financed transfer of residential real property to an IRA, if the residential real property is titled in the name of the IRA or the name of the trustee or custodian in that person's capacity as the trustee or custodian of the IRA, then the transfer is made to a transferee trust. However, if the residential real property is titled in the name of the individual IRA owner, then the transfer is not made to a transferee trust.

Alternatively, if the IRA owns a limited liability company (LLC) and the residential real property is transferred into that LLC, the transfer may be reportable under the normal rules for making that determination—whether the LLC is owned by an IRA is not a factor.

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E. Reportable Transfers

E.1. Under what circumstances must a Real Estate Report be filed?

A Real Estate Report must be filed on any reportable transfer. A reportable transfer is defined as occurring when *all* of these four conditions are met:

1. Residential real property (see Section B) is transferred (see Section E); *and*
2. The transfer is non-financed (see Section C); *and*
3. The property is transferred to a transferee entity or transferee trust (see Section D); *and*
4. No exception applies (See Section E).

The person required to file the Real Estate Report is known as a reporting person (see Section I). The reporting person must report several different types of information (see Section H), including information identifying the beneficial owners of the transferee entity or transferee trust (see Section F) and the individuals signing documents on behalf of that transferee (see Section G).

See Section J for information on how to file, Section K for recordkeeping requirements, and Section L for information on compliance and enforcement.

[Updated February 13, 2026]

E.2. What is a transfer of residential real property?

A reportable transfer of residential real property is a non-financed transfer to a transferee entity or transferee trust of an ownership interest in residential real property.

A transfer of residential real property is any sale, gift, or other transfer of an ownership interest in residential real property or a cooperative housing corporation evidenced by a deed or other documentation of transfer. If a legal entity or trust is named as a transferee in a deed of transfer of real property, the transfer may be a reportable transfer of residential real property.

[Updated February 13, 2026]

E.3. What types of transfers are not considered reportable?

The following transfers of residential real property do not need to be reported:

1. A transfer that is a grant, transfer, or revocation of an easement.
2. A transfer resulting from the death of an individual, whether pursuant to the terms of a will, the terms of a trust (including testamentary trusts), the operation of law (such as transfers resulting from intestate succession, surviving joint owners, and transfer-on-death deeds), or by contractual provision (such as transfers resulting from beneficiary designations).
3. A transfer incident to divorce or dissolution of a marriage or civil union (such as transfers required by a divorce settlement agreement).
4. A transfer made to a bankruptcy estate.
5. A transfer supervised by a court in the United States.
6. A transfer for no consideration made by an individual, either alone or with their spouse, to a trust of which that individual, that individual's spouse, or both, are the settlors or grantors.
7. A transfer to a qualified intermediary for the purposes of a like-kind exchange for purposes of Section 1031 of the Internal Revenue Code (26 CFR 1.1031(k)-1); or
8. A transfer for which there is no reporting person.

Reporting persons should evaluate the specific facts of each individual transfer to determine whether it constitutes a reportable transfer under the rule.

When determining whether a transfer is exempt and making any other determination necessary to comply with the reporting and recordkeeping requirements, the reporting person generally may rely on information provided by other persons if the reporting person does not have knowledge of facts that would reasonably call into question the reliability of the information.

[Updated February 13, 2026]

E.4. Are sales of residential real property under a certain dollar threshold exempt?

No. Low price non-financed transfers to legal entities and trusts, as well as gratuitous ones for no consideration, can present illicit finance risks. Therefore, neither the value of the property transferred nor the sale price is a criterion for determining whether the transfer is reportable.

[Issued February 13, 2026]

E.5. Is a transfer of residential real property reportable if it is a gift?

Yes. Transfers of ownership for which no consideration is exchanged, such as a gift, are reportable.

[Issued February 13, 2026]

E.6. Are all like-kind exchanges exempt?

No. Certain like-kind exchanges under 26 U.S.C. 1031 are exempt from being reported on a Real Estate Report (without implications for any reporting requirements required by the IRS for such exchanges). This exemption is limited to transfers of property made to a qualified intermediary. Transfers from a qualified intermediary to the person conducting the exchange (the exchanger) remain potentially reportable if the exchanger is a legal entity or trust.

[Issued February 13, 2026]

E.7. Is a transfer of an assignment contract reportable?

The transfer of an interest in a contract of sale, in which a person contracts with a property owner to purchase residential real property and then assigns their rights in that contract to a third party who intends to fulfill the contract by purchasing the property, is not itself reportable. However, the ultimate purchase of the property by the third-party assignee in accordance with the contract of sale may be reportable, because a transfer of an ownership interest demonstrated by a deed has occurred.

[Issued February 13, 2026]

E.8. Are sequential transfers to trusts reportable?

A sequential transfer to a trust (such as where qualified financing is extended to the grantor or settlor rather than to the trust itself and the grantor or settlor then transfers the secured residential real property to the trust) would be exempt where: (1) the transfer to the trust is for no consideration; (2) the transferor of the property is an individual (either alone or with the individual's spouse); and (3) the settlor or grantor of the trust is that same transferor individual, that individual's spouse, or both of them.

Example: John Doe and Jane Doe are married and jointly own residential real property. They decide to transfer the property, currently titled in their own names, to a trust for which they are the grantors and receive no payment from the trust for the property. This transfer would not be reportable.

[Issued February 13, 2026]

F. Beneficial Owners

F.1. Who are the beneficial owners of a transferee entity?

A beneficial owner of a transferee entity is an individual who, on the date of closing, either directly or indirectly:

1. Exercises substantial control over the transferee entity, or
2. Owns or controls at least 25% of the transferee entity's ownership interests.

An individual might be a beneficial owner through substantial control, ownership interests, or both. Not every transferee entity will have an individual who owns or controls at least 25 percent of the entity's ownership interests, but FinCEN expects that every transferee entity will be substantially controlled by one or more individuals, and therefore that every transferee entity will be able to identify and report at least one beneficial owner. Moreover, transferee entities established as non-profits are assumed to only have beneficial owners who exercise substantial control. Because beneficial owners must be individuals (*i.e.*, natural persons), trusts, corporations, or other legal entities are not considered to be beneficial owners.

[Updated February 13, 2026]

F.2. Who are the beneficial owners of a transferee trust?

The beneficial owners of a transferee trust are all individuals who, at the time of the transfer of residential real property to the trust, fall into any of the following categories:

1. A trustee of the transferee trust;
2. An individual other than a trustee who has authority to dispose of transferee trust assets, such as may be the case with a trust protector;

3. A beneficiary who is the sole permissible recipient of income and principal from the transferee trust or who has the right to demand a distribution of, or to withdraw, substantially all of the assets of the transferee trust;
4. A grantor or settlor who has the right to revoke the transferee trust or otherwise withdraw the assets of the transferee trust; or
5. A beneficial owner of a legal entity or trust that holds one of the positions described in the above four categories, taking into account the exemptions that apply to transferee entities and transferee trusts.

An individual may be a beneficial owner under more than one of the above categories.

[Updated February 13, 2026]

F.3. How many beneficial owners can a transferee entity or transferee trust have?

A transferee entity or transferee trust can have multiple beneficial owners; there is no maximum number of beneficial owners and all beneficial owners must be reported. A transferee entity will always have at least one beneficial owner, but certain transferee trusts may have none.

[Issued February 13, 2026]

F.4. Can a minor child be a beneficial owner?

If a minor child is a beneficial owner of a transferee entity, a parent or guardian may elect to report their own identifying information in lieu of identifying a minor child. However, no similar election may be made for minor children who are the beneficial owners of a transferee trust—the minor child must be identified.

[Issued February 13, 2026]

F.5. When is beneficial ownership determined?

The beneficial ownership of a transferee entity or transferee trust must be determined as of the date of closing, meaning the date on which the transferee entity or transferee trust receives an ownership interest in the residential real property.

[Issued February 13, 2026]

F.6. Can a transferee entity provide a FinCEN Identifier in lieu of having its beneficial ownership information reported on a Real Estate Report?

No. At this time, FinCEN does not allow FinCEN Identifiers to be reported in lieu of the underlying information.

[Issued February 13, 2026]

F.7. How should a reporting person collect information about beneficial owners?

The reporting person may collect beneficial ownership information directly from a transferee or a representative of the transferee, so long as the person the information is collected from certifies in writing that the information they have provided is correct to the best of their knowledge. The certification may be collected using a form of the reporting person's choosing or design and may be incorporated into existing closing documents used by the reporting person.

If beneficial ownership information is certified as described above, the reporting person may reasonably rely on the information so long as the reporting person does not have knowledge of facts that would reasonably call its reliability into question (see Question L.2).

[Updated February 13, 2026]

F.8. Does a reporting person need to submit or retain a copy of the beneficial owner's identifying information?

No.

[Issued February 13, 2026]

F.9. Who qualifies for an exception from the beneficial owner definition?

There are five instances in which an individual who would otherwise be a beneficial owner of a transferee entity qualifies for an exception. **There are no exceptions for beneficial owners of a transferee trust.**

With respect to transferee entities, an individual may qualify for an exception if the individual is a:

1. **Minor child:** An individual qualifies for this exception if the individual is a minor child, as defined under the law of the State or Indian Tribe in which the transferee entity is first registered.
2. **Nominee, intermediary, custodian, or agent:** An individual qualifies for this exception if the individual merely acts on behalf of an actual beneficial owner as the beneficial owner's nominee, intermediary, custodian or agent.
Note: Individuals who perform ordinary advisory or other contractual services (such as tax professionals) likely qualify for this exception. In scenarios where this exception applies, the actual beneficial owner must still be reported.
3. **Employee:** An individual qualifies for this exception if all three of the following criteria apply:
 - a. The individual is an employee of the transferee entity, when applying the meaning of "employee" provided in 26 CFR 54.4980H-1(a)(15). In general, the term employee means that an individual is subject to the will and control of the employer in what and how to do work, and that the employer may discharge the individual from work.
 - b. The individual's substantial control over, or economic benefits from, the transferee entity is derived solely from the employment status of the individual as an employee.
 - c. The individual is not a senior officer of the transferee entity. The term "senior officer" means any individual holding the position or exercising the authority of a president, chief financial officer, general counsel, chief executive officer, or chief operating officer, or any other officer, regardless of official title, who performs a similar function.
4. **Inheritor:** An individual qualifies for this exception if the individual's only interest in the transferee entity is a future interest through a right of inheritance, such as through a will providing a future interest in a company.
5. **Creditor:** An individual qualifies for this exception if the individual is a creditor of the transferee entity or transferee trust. The term "creditor" means an individual who would meet the definition of a beneficial owner of the transferee entity solely through rights or interests for the payment of a predetermined sum of money, such as a debt incurred by the reporting company, or a loan covenant or other similar right associated with such right to receive payment that is intended to secure the right to receive payment or enhance the likelihood of repayment. For example, an individual qualifies for the creditor exception if the individual is entitled to payment

from the reporting company to satisfy a loan or debt, so long as this entitlement is the only ownership interest the individual has in the reporting company.

For most of these exceptions, the individual is simply not reported as a beneficial owner. However, **a special rule applies for minor children.** If an individual meets the criteria for the minor child exception and the transferee entity does not opt to report the information of the minor child, the transferee entity must instead report information about the parent or legal guardian of the minor child.

[Issued February 13, 2026]

G. Signing Individuals

G.1. Who are signing individuals?

Each individual who signed documents on behalf of a transferee entity or transferee trust as part of the reportable transfer is considered to be a signing individual.

However, this does not include any individual who signed documents as part of their employment with a financial institution that has both an obligation to maintain an anti-money laundering program and an obligation to report suspicious transactions. For example, if a transferee trust uses a bank as an institutional trustee, an employee of the bank signing documents on behalf of the transferee trust would not be a signing individual.

[Issued February 13, 2026]

G.2. How many signing individuals may there be?

A transferee entity or transferee trust can have multiple signing individuals. There is no maximum number of signing individuals, and all signing individuals must be reported.

A transferee entity or transferee trust may also have no signing individuals to report—for example, where the individual(s) signed documents as part of their employment with a financial institution that has both an obligation to maintain an anti-money laundering program and an obligation to report suspicious transactions.

[Issued February 13, 2026]

G.3. Does a reporting person need to submit or retain a copy of the signing individual's identifying information?

No.

[Issued February 13, 2026]

H. Reporting Requirements

H.1. On what date do reporting persons need to begin filing Real Estate Reports?

A Real Estate Report must be filed for any reportable transfer with a closing date occurring on or after March 1, 2026. Reporting persons are not required to report transactions that meet the definition of a “reportable transfer” and that close prior to March 1, 2026.

[Issued February 13, 2026]

H.2. What is the due date for a Real Estate Report?

A Real Estate Report must be filed by the last day of the month following the month in which the date of closing occurred or 30 calendar days after the date of closing, whichever is later. Reporting persons will therefore generally have about 30 to 60 days to file the report.

[Issued August 28, 2024]

H.3. What is the definition of “date of closing”?

The date of closing means the date on which the transferee entity or transferee trust receives an ownership interest in residential real property, meaning the date on which the transferee entity or transferee trust receives rights held in residential real property that are demonstrated through a deed or, for cooperative housing, through stock, shares, membership, certificate, or other contractual agreement evidencing ownership.

[Issued February 13, 2026]

H.4. What type of information is reported via a Real Estate Report?

On the Real Estate Report, the reporting person must submit information necessary to identify:

- The reporting person;
- The residential real property being transferred;
- The transferee entity or transferee trust;
- The beneficial owners of the transferee entity or transferee trust;
- Certain individuals representing the transferee entity or transferee trust in the transfer;
- If the transferee is a transferee trust, any trustee that is an entity; and
- The transferor.

The reporting person must also report the total consideration paid for the property, along with certain information about any payments made by the transferee entity or transferee trust.

[Updated February 13, 2026]

H.5. What type of information does a reporting person report about itself?

The reporting person must report:

- The reporting person’s full legal name;
- The category into which the reporting person falls in the reporting cascade;
- Whether the reporting person is a legal entity;
- The street address of the reporting person’s principal place of business in the United States; and
- The date of closing of the reportable transfer.

[Issued February 13, 2026]

H.6. What type of information does a reporting person report about residential real property?

For each reportable transfer, the reporting person must report:

- The street address, if any, of each residential real property that was transferred; and
- The legal description of each such residential real property (such as the section, lot, and block).

[Issued February 13, 2026]

H.7. What type of information does a reporting person report about a transferee entity?

For each transferee entity, the reporting person must report:

- The entity's full legal name;
- The entity's trade name or "doing business as" name, if any;
- The total consideration paid or to be paid, by or on behalf of this transferee;
- The complete current street address of the transferee entity's principal place of business (or addresses, if the transferee entity's principal place of business is not in the United States, the street address of the primary location in the United States where the transferee entity conducts business, if any);
- A unique identifying number for the entity, if any;
- Identifying information for the entity's beneficial owners (see Question H.7); and
- Identifying information for the entity's signing individuals (see Question H.8).

[Issued February 13, 2026]

H.8. What type of information does a reporting person report about a transferee trust?

For each transferee trust, the reporting person must report:

- The trust's full legal name (such as the full title of the agreement establishing the trust);
- The date the trust instrument was executed;
- Whether the trust is revocable;
- The total consideration paid or to be paid, by or on behalf of this transferee;
- A unique identifying number for the trust, if any;
- Identifying information for the trust's beneficial owners (see Question H.7);
- Identifying information for the trust's signing individuals (see Question H.8); and
- Identifying information for each trustee that is a legal entity (see Question H.9).

[Issued February 13, 2026]

H.9. What type of information does a reporting person report about a beneficial owner?

For each beneficial owner, the reporting person must report the following:

- The beneficial owner's full legal name;
- The beneficial owner's date of birth;
- The beneficial owner's complete current residential street address;
- The beneficial owner's country or countries of citizenship;
- A unique identifying number; and
- For beneficial owners of trusts, the category of beneficial owner they are (trustee, beneficiary, etc.).

[Issued February 13, 2026]

H.10. What type of information does a reporting person report about a signing individual?

For each signing individual, the reporting person must report the following:

- The signing individual's full legal name;
- The signing individual's date of birth;
- The signing individual's complete current residential street address;
- A unique identifying number;
- Description of the capacity in which the individual is authorized to act as the signing individual; and
- If the signing individual is acting in that capacity as an employee, agent, or partner, the name of the individual's employer, principal, or partnership.

[Issued February 13, 2026]

H.11. What type of information does a reporting person report about a trustee of a transferee trust that is a legal entity?

For each transferee trust with a trustee that is a legal entity, the reporting person must report the following:

- The trustee's full legal name;
- The trustee's trade name or "doing business as" name, if any;
- The complete current street address of the trustee's principal place of business (or addresses, if the trustee's principal place of business is not in the United States, the street address of the primary location in the United States where the trustee conducts business, if any); and
- A unique identifying number, if any.

The individuals who own or control this trustee entity may need to be reported as a beneficial owner of the transferee trust. For instance, if a trustee is an individual rather than an entity, that individual is a beneficial owner of the transferee trust.

[Issued February 13, 2026]

H.12. What type of information does a reporting person report about a transferor that is an individual?

For each transferor that is an individual, the reporting person must report the following:

- The transferor's full legal name;
- The transferor's date of birth;
- The transferor's complete current residential address; and
- A unique identifying number.

[Issued February 13, 2026]

H.13. What type of information does a reporting person report about a transferor that is a legal entity?

For each transferor that is a legal entity, the reporting person must report the following:

- The transferor's full legal name;
- The transferor's trade name or "doing business as" name, if any;
- The complete current street address of the transferor's principal place of business (or addresses, if the transferor's principal place of business is not in the United States, the street address of the primary location in the United States where the transferor conducts business, if any); and
- A unique identifying number, if any.

[Issued February 13, 2026]

H.14. What type of information does a reporting person report about a transferor that is a trust?

For each transferor that is a trust, the reporting person must report the following:

- The transferor's full legal name (such as the full title of the agreement establishing the trust);
- The date the trust instrument was executed;
- A unique identifying number, if any;
- For each individual that is a trustee of the trust:
 - The individual's full legal name;
 - The individual's current residential street address;
 - A unique identifying number; and
- For each legal entity that is a trustee of the trust:
 - The legal entity's full legal name;
 - The legal entity's trade name or "doing business as" name, if any;
 - The complete current address of the legal entity's principal place of business (or addresses, if the legal entity's principal place of business is not in the United States, the street address of the primary location in the United States where the legal entity conducts business, if any); and
 - A unique identifying number, if any.

[Issued February 13, 2026]

H.15. What type of information does a reporting person report about any payments made?

The reporting person must report:

- The total consideration paid or to be paid for the transfer by all transferees;
- Whether the reportable transfer involved credit extended by a person that is not a financial institution with an obligation to maintain an anti-money laundering program and an obligation to report suspicious transactions;
- For each payment made by or on behalf of a transferee entity or transferee trust:
 - the amount of the payment;
 - the method by which the payment was made;

- if the payment was paid from an account held at a financial institution, the name of the financial institution and the account number; and
- the name of the payor on any wire, check, or other type of payment if the payor is not the transferee entity or transferee trust.

The reporting person does not need to report any payment disbursed from an escrow or trust account held by a transferee entity or transferee trust, that is made by or on behalf of the transferee entity or transferee trust.

[Issued February 13, 2026]

H.16. Can a P.O. box be reported as an address?

No. The address reported must be a street address and cannot be a P.O. box.

[Issued February 13, 2026]

H.17. What address should be reported if an entity lacks a principal place of business?

If a reportable entity has no principal place of business, then its address is the address in the United States of the person that the entity, under State or other applicable law, has designated to accept service of legal process on its behalf. In some jurisdictions, this person is referred to as a registered agent, or the address is referred to as the registered office.

FinCEN will understand the use of such an address to mean that: (i) the registered agent or other person at the address designated to accept service of legal process has consented to the use of its address in this capacity, and (ii) the entity does not generally conduct business functions at any other location in the United States.

If the entity has no such person in the United States, the address of a person performing a similar role on behalf of the entity in a foreign jurisdiction must be provided.

[Issued February 13, 2026]

H.18. Are reporting persons required to report the addresses of individuals that participate in an Address Confidentiality Program (ACP)?

FinCEN is mindful of the critical privacy interests protected by ACPs. Reporting persons that are required to report an individual registered with a State's ACP should report to FinCEN the ACP address that the State provided to the individual. As a best practice, individuals registered with a State ACP may consider retaining documentation to demonstrate that they participate in an ACP.

[Issued February 13, 2026]

H.19. A Real Estate Report must include a “unique identifying number” for each legal entity, trust, or individual. What type of unique identifying number is required for each legal entity, trust, or individual?

The required unique identifying number varies based on whether the subject is a legal entity, a trust, or an individual, and on the role the legal entity, trust, or individual plays in the reportable transfer. See the table below for specific information:

Subject	Roles
Individual	Transferor, Trustee of Transferor Trust, Beneficial Owner, Signing Individual,
1. An Internal Revenue Service (IRS) Taxpayer Identification Number (TIN); or 2. Where #1 has not been issued, either: i) a tax identification number issued by a foreign jurisdiction and the name of such jurisdiction; or ii) the unique identifying number and issuing jurisdiction from a non-expired passport issued by a foreign government to the individual.	
Legal Entity	Transferor, Trustee of Transferor Trust, Transferee, Trustee of Transferee Trust
1. An IRS TIN; or 2. If the entity has not been issued #1, a tax identification number issued by a foreign jurisdiction and the name of such jurisdiction; or 3. If the entity has not been issued #1 or #2, an entity registration number issued by a foreign jurisdiction and the name of such jurisdiction; or 4. If the entity has not been issued #1, #2, or #3, it is not required to report a unique identifying number.	
Trust	Transferor, Transferee
1. An IRS TIN; or 2. If the trust has not been issued #1, a tax identification number issued by a foreign jurisdiction and the name of such jurisdiction; or 3. If the trust has not been issued #1 or #2, it is not required to report a unique identifying number.	
Individual or Legal Entity	Reporting Person
A reporting person is not required to report a unique identifying number for the reporting person.	

[Issued February 13, 2026]

H.20. A Real Estate Report must include an address for each legal entity, trust, or individual.

What type of address is required for each legal entity, trust, or individual?

The Real Estate Report requires either a residential or principal place of business address, depending on whether it relates to an individual or entity. The chart below outlines the types of required addresses:

Subject	Roles
Individual	Transferor, Trustee of a Transferor Trust, Beneficial Owner, Signing Individual
The complete current residential street address.	
Legal Entity	Transferor, Trustee of a Transferor Trust, Transferee, Trustee of Transferee Trust
The complete current address consisting of: 1. The street address that is the entity's principal place of business; and 2. If such principal place of business is not in the United States, the street address of the primary location in the United States where the entity conducts business, if any.	
Trust	Transferor, Transferee
An address is not required.	
Individual or Legal Entity	Reporting Person
The street address that is the reporting person's principal place of business in the United States.	

[Issued February 13, 2026]

H.21. A legal entity sells a house to an individual in a non-reportable transfer and the individual deposits the payment into an escrow account for the benefit of the legal entity. The legal entity subsequently purchases a different house, with the payment being transferred from the same escrow account to the seller in a reportable transfer. What account should be listed as the source of funds in the reportable transfer?

Certain information about payments disbursed from accounts held at financial institutions must be reported on the Real Estate Report, unless the funds are disbursed from an escrow or trust account for the benefit of a transferee entity or transferee trust. In the scenario described here, the payments are disbursed from an escrow account on behalf of the transferee, which is not a payment for which detailed reporting of the account is required on a Real Estate Report.

[Issued February 13, 2026]

I. Reporting Persons

I.1. Who is required to file Real Estate Reports?

The requirement to file a Real Estate Report rests with the reporting person, one of a limited number of persons who play specified roles in the reportable transfer. Only one person in a given transaction is deemed to be the reporting person, and that person is required to file a report.

The reporting person can be identified in one of two ways:

1. By way of the reporting cascade described in the Residential Real Estate Rule (see Question I.2), or
2. By way of a written designation agreement between the persons described in the cascading reporting order (see Question I.8).

[Updated February 13, 2026]

I.2. What is the reporting cascade?

The reporting cascade is a list of seven different functions that a real estate professional may perform in a reportable transfer of residential real property. Unless a designation agreement is used (see Question I.8), the reporting cascade will be used to determine the reporting person for the transfer. If a person is performing the first function described in the cascade, then that person would be the reporting person. If no person performing the first function described in the cascade is involved in the transfer, then the reporting person would be the person that performs the second described function, if any, and so on down the cascade. A similar reporting cascade appears in IRS Form 1099-S (see 29 CFR 1.6045-4, Information reporting on real estate transactions with dates of closing on or after January 1, 1991).

The reporting cascade is as follows:

1. The person listed as the closing or settlement agent on the closing or settlement statement;
2. If no person described above is involved, the person that prepares the closing or settlement statement for the transfer;
3. If no person described above is involved, the person that files with the recordation office the deed or other instrument that transfers ownership of the residential real property;
4. If no person described above is involved, the person that underwrites an owner's title insurance policy for the transferee with respect to the transferred residential real property, such as a title insurance company;
5. If no person described above is involved, the person that disburses in any form, including from an escrow account, trust account, or lawyers' trust account, the greatest amount of funds in connection with the residential real property transfer;
6. If no person described above is involved, the person that provides an evaluation of the status of the title; or
7. If no person described above is involved, the person that prepares the deed or, if no deed is involved, any other legal instrument that transfers ownership of the residential real property, including, with respect to shares in a cooperative housing corporation, the person who prepares the stock certificate.

If none of the above functions are performed for a given reportable transfer of residential real property, then a report is not required to be filed.

[Updated February 13, 2026]

I.3. Can a homeowners' association be a reporting person?

Yes, if the homeowners' association plays any of the roles enumerated in the reporting cascade.

[Issued February 13, 2026]

I.4. Are there any exemptions from being a reporting person?

Financial institutions with an obligation to maintain an anti-money laundering program are exempt from being reporting persons. Where a financial institution would have otherwise been a reporting person, the reporting obligation falls to the next available person described in the reporting cascade.

[Issued February 13, 2026]

I.5. Can a party to the transfer file the Real Estate Report?

Transferees, transferors, and their beneficial owners cannot file the Real Estate Report unless they are engaged within the United States in the provision of a real estate closing and settlement service listed in the reporting cascade and are the reporting person, based on either the reporting cascade or a designation agreement, for purposes of the transaction in question.

[Issued February 13, 2026]

I.6. How does the reporting cascade take into account split settlements?

In a split settlement, the first two tiers in the reporting cascade (respectively, the person “listed as the closing or settlement agent on the closing or settlement statement” and the person who “prepares the closing or settlement statement”) refer only to the closing or settlement statement prepared for the transferee. The real estate professional who fulfills those functions for the transferor would not be included in the reporting cascade unless they perform one of the other functions listed in the cascade.

[Issued February 13, 2026]

I.7. What if title insurance is purchased after the settlement or closing?

If title insurance is purchased a significant period of time after a transfer of property, the underwriting of title insurance would not be part of the closing or settlement process, and therefore another person in the reporting cascade would file the report. However, in the rare situation where there is no other person in the reporting cascade participating in the closing or settlement of a reportable transfer, the underwriter of title insurance may ultimately be required to file the report when the insurance is eventually purchased.

[Issued February 13, 2026]

I.8. What is a designation agreement?

Rather than relying on the reporting cascade to identify the reporting person, a person that performs a function described in the reporting cascade may choose to enter into a written agreement that designates another person that performs a function described in the reporting cascade as the reporting person. The person that would have been the reporting person must be a party to the agreement. However, other persons involved in the transfer that fall into the reporting cascade do not need to be parties to the agreement.

For example, if the first participating person listed in the cascade is a person who filed the deed with a recordation office for a given transfer, as described in the third tier of the cascade, that person may enter into a written designation agreement with a title insurance company underwriting the transfer, as described in the fourth tier of the cascade, through which the two parties agree that the title insurance company will be the designated reporting person with respect to that transfer.

There is no required format for a designation agreement, but it must be in writing and identify the date of the agreement, the name and address of the transferor, the name and address of the transferee entity or transferee trust, the property, the name and address of the designated reporting person, and the name and address of all parties to the designation agreement.

All parties to a designation agreement are required to retain a copy of the agreement for a period of five years. The reporting person is not required to file the designation agreement as part of the Real Estate Report. This designation agreement option is designed to reduce the overall burden on reporting persons.

[Updated February 13, 2026]

I.9. Can a “blanket” designation agreement be used for multiple reportable transfers?

No. If a designation agreement is used, a separate designation agreement is required for each reportable transfer.

A blanket agreement, wherein two or more persons described in the reporting cascade form an agreement to designate a potential reporting person for a set period of time or a set number of transfers, may not be used in lieu of a separate designation agreement for each reportable transfer. However, potential reporting persons are not prohibited from having an understanding with others, in writing or otherwise, as to how they generally intend to comply with the Residential Real Estate Rule’s filing requirements, provided that they continue to effect and retain a copy of a unique designation agreement for each separate transfer for which they choose to employ one. For example, a title insurance company and a settlement company might enter into a blanket agreement wherein, for any transfer in which they are both involved, the title insurance company would agree to be the reporting person. However, the two companies must still enter into a unique designation agreement for each separate reportable transfer.

[Issued February 13, 2026]

I.10. Can a third-party vendor be designated as a reporting person?

Third-party vendors who are not described in the reporting cascade with respect to a specific transfer of residential real estate may file Real Estate Reports on behalf of the reporting person but cannot be designated as the reporting person. A reporting person could outsource the preparation of the form to a third-party vendor, but the ultimate responsibility for the completion and timely filing of the report would lie with the reporting person.

[Issued February 13, 2026]

I.11. Do potential reporting persons need to also implement an anti-money laundering (AML) program?

The rule does not impose an AML program obligation on any persons involved in real estate closings and settlements. All such persons, including persons that may be potential reporting persons, continue to be exempt from the requirement to establish an AML program, in accordance with 31 CFR 1010.205(b)(1)(v).

[Updated February 13, 2026]

I.12. I am a real estate agent. Am I a reporting person?

It depends. A real estate agent working in the capacity of a real estate agent is not represented in the reporting cascade, and therefore, is not a reporting person.

In some circumstances, real estate agents may participate in a reportable transfer as the settlement agent or by performing one of the other functions described in the reporting cascade (see Question I.2). In those situations, the real estate agent may be a reporting person.

[Issued February 13, 2026]

I.13. The third tier in the reporting cascade is the person that files with the recordation office the deed or other instrument that transfers ownership of the residential real property. Would a third-party courier or delivery service that only delivers a deed or other instrument to the recordation office on behalf of a client be considered a reporting person?

No. A third-party courier or delivery service who only delivers documents to a recordation office is not a reporting person as long as the third-party courier, the delivery service employee, or any delivery service that employs them does not play any other role in the reportable transfer. The real estate business that engaged the third-party courier or delivery service and who would have otherwise performed that task is considered to have filed the deed or other instrument that transfers ownership of the residential real property.

[Issued February 13, 2026]

I.14. The fourth tier in the reporting cascade is the person that underwrites an owner's title insurance policy for the transferee with respect to the transferred residential real property, such as a title insurance company. Would the reporting person be the agent providing services related to the underwriting of the title or the insurance company providing the actual financial underwriting?

The fourth tier encompasses the insurance company underwriting the title insurance policy. It does not include agents who typically provide services tangential to the underwriting, such as title searches. However, such agents often also provide services that fall under other tiers of the cascade and thus in some circumstances could be a reporting person (see Question I.2).

[Issued February 13, 2026]

I.15. The sixth tier of the reporting cascade is the person that provides an evaluation of the status of a title. What does it mean to evaluate the status of a title?

Providing an evaluation of the status of a title refers to the process of verifying ownership and identifying potential defects in the title to specific property. This typically results in the creation of a document that is a lawyer's professional assessment of a property's ownership status and any potential claims or encumbrances against it.

[Issued February 13, 2026]

I.16. Can sole practitioners, solo escrow officers, or sole proprietorships be a reporting person?

Yes. A sole practitioner (or solo attorney), solo escrow officer, or sole proprietorship may be a reporting person.

However, if an employee, agent, or partner is performing the relevant function in the reporting cascade within the scope of the individual's employment, agency, or partnership, then the individual's employer, principal, or partnership is deemed to be the reporting person. In this case, the individual filing a Real Estate Report should record the name of their employer, rather than their own name.

[Issued February 13, 2026]

J. Reporting Process

J.1. How do I file the Real Estate Report?

Like other financial institutions required to file Bank Secrecy Act (BSA) reports, reporting persons will file Real Estate Reports electronically through FinCEN's free BSA E-Filing System, at <https://www.bsaefiling.fincen.gov>. The BSA E-Filing System will provide three different filing options for filers: filing individual reports through an online form; filing individual reports as a PDF form; and filing multiple reports in batches using Secure File Transfer Protocol (SFTP).

Filers will be able to log in to the BSA E-Filing System through a <https://login.gov/> account and review whether previously submitted filings were successful. Filers will not have the ability to access the transcripts of previously filed reports but will have the option to save transcripts at the time of filing.

[Issued February 13, 2026]

J.2. What are the available methods for filing the Real Estate Report?

There are three ways to file directly with FinCEN, which include: web-based (prepare online and submit in single session), PDF (prepare offline until ready to submit), and batch (XML). All of these methods are free of charge.

- *Web-based:* Filers may use a web-based online form to fill out the form directly within the BSA E-Filing System and submit it to FinCEN in a single session. A transcript of the Real Estate Report is available for download at the time of submission.
- *PDF:* Filers may download a PDF version of the reporting form, fill out the form offline, and upload the report directly to the BSA E-Filing System when ready to file.
- *Batch:* If a filer is submitting a large volume of reports, they may seek out or create software that is compatible with the BSA E-Filing System to submit multiple reports in a single XML batch file.

[Issued February 13, 2026]

J.3. Is there a fee for submitting a Real Estate Report to FinCEN?

No. There is **no fee** for submitting a Real Estate Report directly to FinCEN through FinCEN's BSA E-Filing System at <https://www.bsaefiling.fincen.gov>.

Reporting persons may use third-party service providers to submit Real Estate Reports to FinCEN. Those providers might charge fees for their services. Before authorizing a third-party service provider to file a Real Estate Report with FinCEN, you should: (1) understand the fees for the offered services; and (2) carefully review any terms of service or agreements.

[Issued February 13, 2026]

J.4. Can a reporting person file an incomplete report if a party withholds information required to file a complete and accurate report?

No. The Real Estate Report must contain all required information when filed. There is no exception from reporting should a party to the transfer fail to cooperate in providing information about a reportable transfer. A reporting person who fails to report the required information about a reportable transfer could be subject to penalties. If a reporting person cannot collect all required information, the reporting person may consider declining to perform the function that triggers the reporting obligation.

[Issued February 13, 2026]

J.5. A reporting person filed a Real Estate Report for a reportable transfer. What should the reporting person do if they learn of an inaccuracy in the previously-filed report?

A reporting person must file a corrected report on a previously-filed Real Estate Report as soon as practicable whenever errors about the reportable transfer are discovered in that Real Estate Report. A corrected Real Estate Report must be completed in its entirety, with the necessary corrections made to the data. The reporting person will check box 1b “Correct/Amend prior report” and enter the previous report’s BSA Identifier (BSA ID).

[Issued February 13, 2026]

J.6. A reporting person filed a Real Estate Report for a reportable transfer. What should the reporting person do if they discover new information about the reportable transfer?

A reporting person must file an amended report as soon as practicable whenever new information about a reportable transfer is discovered on a previously-filed Real Estate Report. An amended Real Estate Report must be completed in its entirety, with the necessary amendments made to the data. The reporting person will check box 1b “Correct/Amend prior report” and enter the previous report’s BSA Identifier (BSA ID).

[Issued February 13, 2026]

J.7. A company that performs a function described in the reporting cascade has multiple “doing business as” names (D/B/As). Does the company and each D/B/A need to set up a separate BSA E-Filing System account or can they share one BSA E-Filing System account?

A company with multiple D/B/As can choose whether to use a single BSA E-Filing System account or set up separate accounts for each D/B/A. The company may either establish a parent organization account that submits on behalf of all D/B/As (including adding users from each D/B/A as needed) or allow each D/B/A to maintain its own BSA E-Filing System account with optional parent company access for oversight.

[Issued February 13, 2026]

J.8. Who can file a Real Estate Report on behalf of the reporting person?

Anyone a reporting person authorizes to act on its behalf—such as an employee, subsidiary, affiliated company, or third-party service provider—may submit a Real Estate Report on the reporting person’s behalf. The individual or entity that the reporting person authorizes to submit on its behalf does not need to perform any of the roles identified in the reporting cascade.

Although the reporting person may authorize others to file Real Estate Reports, the reporting person remains ultimately responsible for the reporting requirement.

[Issued February 13, 2026]

J.9. Will a reporting person receive confirmation that a Real Estate Report has been successfully filed?

When filing a Real Estate Report via the BSA E-Filing System web application, the submitter will receive the following submission tracking information directly after submission.

1. **Submission Confirmation Page:** This page displays basic tracking information confirming that FinCEN has *received* your submission attempt. If there are any errors that prevent FinCEN from *receiving* your submission, they will be displayed at this time.

2. **Submission Confirmation Email:** This email provides the status of the Real Estate Report submission as either *ACCEPTED* or *REJECTED*.
3. **Track Status Dashboard Entry:** This is the dashboard available that displays a history of submissions associated with the BSA E-Filing account holder.

Note: If the BSA E-Filing System account holder is a Supervisory User, they will have the ability to see the history of all submissions filed by other user accounts under the same organization account.

If the Real Estate Report receives a status of *REJECTED*, the submitter must resolve the reason for rejection and resubmit.

If the Real Estate Report receives a status of *ACCEPTED*, the submitter will receive correspondence within 1-2 business days that will include the BSA ID assigned to the Real Estate Report. The BSA ID is delivered to the submitter via their *SECURE MAILBOX* within the BSA E-Filing System application.

Note: In the event that the Real Estate Report needs to be corrected/amended for any reason, the BSA ID assigned to the Real Estate Report must be referenced on the corrected/amended Real Estate Report.

[Issued February 13, 2026]

J.10. How can a reporting person confirm a Real Estate Report filing status if they have authorized a third party to submit the Real Estate Report on their behalf?

If a third-party service provider is submitting a Real Estate Report on behalf of a reporting person, and the reporting person wants to track the submission status and history in the BSA E-Filing System, the third party must file using a user account that is created under the reporting person's organization account.

Here's how it works: When a reporting person creates their first user account in BSA E-Filing System (i.e., the initial Supervisory User), the system automatically generates a unique organization account. Additional user accounts—such as for third-party filers—can be added under this organization account.

To ensure visibility into filing activity:

- The reporting person should create a user account for the third-party provider under their organization account.
- This setup allows all filings made by the provider to be tracked in the BSA E-Filing System as part of the reporting person's submission history.

Note: The BSA E-Filing System **only displays the submission status and history** (e.g., whether a report was submitted and when), but it **does not store or display a copy of the actual report** itself. If the reporting person would like a copy of the Real Estate Report submitted by a third party on their behalf, the reporting person will need to obtain a copy from the third party directly.

[Issued February 13, 2026]

J.11. I am a third-party provider and want to submit Real Estate Reports on behalf of multiple reporting persons. Can I create a Supervisory User account for my company and file all my clients' Real Estate Reports through this account?

No. If a third-party provider submits Real Estate Reports on behalf of multiple reporting persons, they will need separate user accounts under each client's unique organization account in the BSA E-Filing System.

[Issued February 13, 2026]

J.12. Are third-party filers required to maintain records certifying that they are authorized to file on behalf of a reporting person?

FinCEN does not require third-party service providers to maintain any specific record validating that they are authorized to file on behalf of a reporting person. However, reporting persons who are ultimately liable for the filing of a Real Estate Report may wish to ensure that they maintain records demonstrating to whom, if anyone, they have delegated report filing authority.

[Issued February 13, 2026]

J.13. A builder uses a transferee entity to purchase several lots in a subdivision in a non-financed transfer, intending to construct new homes on each lot. Does the reporting person submit one Real Estate Report, reporting the transfer of all of the lots, or multiple Real Estate Reports, one for each lot?

It depends. If the builder purchases the lots “in bulk” and closes on the properties in one transaction, then the reporting person would submit one Real Estate Report and provide the required information for each distinct property. If the builder purchases the lots in separate transactions, then the reporting person would need to submit a separate Real Estate Report for each lot.

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K. Recordkeeping Requirements

K.1. What records must a reporting person keep?

The reporting person must maintain a copy of the certification by the transferee or transferee’s representative as to the identities of the beneficial owner of the transferee, as well as any designation agreement entered into, for a period of five years. The reporting person is not required to retain a copy of the Real Estate Report.

[Issued August 28, 2024]

K.2. Are there record retention requirements for other real estate businesses involved in a reportable transfer?

Any parties to a designation agreement must retain a copy of the designation agreement for a period of five years.

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K.3. Is the reporting person required to retain a copy of driver’s licenses, passports, or other identifying documents?

No.

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L. Compliance/Enforcement

L.1. What penalties may a reporting person face for violating Residential Real Estate Rule requirements?

Negligent violations of the rule could result in a civil penalty of, as of 2025, not more than \$1,430 for each violation, and an additional civil money penalty of up to \$111,308 for a pattern of negligent activity. Willful violations could result in a civil penalty of not more than the greater of the amount involved in the transaction (not to exceed \$286,184) or \$71,545. This civil penalty structure generally applies to any willful violation of a Bank Secrecy Act requirement. For more information on civil penalties, see 31 U.S.C. 5321 and 31 CFR 1010.821.

Criminal penalties for willful violations of the rule could result in a term of imprisonment of not more than five years or a criminal fine of not more than \$250,000, or both. For more information on criminal penalties, see 31 U.S.C. 5322.

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L.2. Is a reporting person responsible for ensuring the accuracy of the information that it reports to FinCEN, if the reporting person obtains the information from another party?

The reporting person generally may rely on information provided by any other person for purposes of reporting information or to make a determination necessary to comply with the rule, but only if the reporting person does not have knowledge of facts that would reasonably call into question the reliability of the information provided.

This reasonable reliance standard is slightly more limited when a reporting person is reporting beneficial ownership information of transferee entities or transferee trusts. In those situations, the reasonable reliance standard applies only to information provided by the transferee or the transferee's representative and only if the person providing the information certifies the accuracy of the information in writing to the best of their knowledge.

FinCEN recognizes the necessity of permitting reliance on information supplied to the reporting person, considering the time and effort it would take for the reporting person to verify each piece of information independently. As an example, FinCEN expects that the reporting person would be able to reasonably rely on the accuracy of a person's address provided orally or in writing, without reviewing government-issued documentation such as a drivers' license, provided the reporting person does not have reason to question the information provided (e.g., if the information provided were to contain a numerically unlikely ZIP code, or the person providing it makes comments bringing into question the reliability of the address or has provided other unreliable information).

As an additional example, in the context of ascertaining whether particular transfers are "non-financed transfers," a reporting person may rely on the information provided by the relevant lender extending credit secured by the underlying residential real property as to whether the lender has an obligation to maintain an anti-money laundering (AML) program and an obligation to report suspicious transactions under 31 CFR Chapter X, provided the reporting person does not have reason to question the lender's information (e.g., if the lender were to represent that he or she, as a natural person, is subject to AML obligations).

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L.3. I am a reporting person for a reportable transfer. What should I do if a transferee fails to cooperate in providing information about a reportable transfer?

There is no exception from reporting under the final rule should a transferee fail to cooperate in providing information about a reportable transfer. The final rule does not authorize the

filing of incomplete reports, and a reporting person who fails to report the required information about a reportable transfer could be subject to penalties. If information cannot be obtained from a person in the reporting cascade, the reporting person would reach out directly to a relevant party to the transfer (e.g., the transferee) to gather the missing information. Reporting persons may consider, but are not obligated to, incorporating language into client contracts which states that the reporting person will not perform the reporting person's role in a given reportable transfer if the client does not provide the information required to file a complete Real Estate Report. FinCEN regulations do not dictate whether or not a reporting person should close a particular transaction; however, reporting persons should consider whether to perform functions without first obtaining information necessary to file a Real Estate Report or are reasonably certain that they will obtain the information soon after closing.

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L.4. Can I file a Suspicious Activity Report (SAR) in place of a Real Estate Report?

No. A reporting person must file a Real Estate Report for each reportable transfer. A reporting person may voluntarily file a SAR in addition to a Real Estate Report if the reporting person believes a transaction is related to a possible violation of law or regulation. However, the filing of a SAR does not relieve the reporting person from their obligation to file a Real Estate Report.

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L.5. In what instances may a reporting person consider filing a Suspicious Activity Report (SAR)?

A reporting person may voluntarily file a SAR if it knows, suspects, or has reason to suspect that the underlying transaction is related to a potential violation of law or regulation. Those instances may include when a party to a reportable transfer withholds information required to file a Real Estate Report that the reporting person knows, suspects, or has reason to suspect was withheld in order to avoid the report being filed.

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L.6. If a reporting person voluntarily decides to file a Suspicious Activity Report (SAR), can the reporting person notify the party that a SAR has been or will be filed due to their refusal?

No. The Bank Secrecy Act generally prohibits the disclosure of SARs or any information that would reveal the existence of a SAR. Both civil and criminal penalties may be imposed for SAR disclosure violations.

Reporting persons can inform parties to a reportable transfer that they are filing a Real Estate Report in connection with a transfer.

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L.7. During an internal audit, a reporting person realizes it did not report a reportable transfer. What should the reporting person do?

The reporting person should file the report once it becomes aware that a report was necessary. The BSA E-Filing System will allow the submission of a late report. The reporting person should also consider notifying FinCEN of the failure to file a Real Estate Report as required.

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