February 2026

Countdown to Compliance: A Demo of FinCEN's Real Estate Report

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Featured Speakers

Amy Gregory
President
Florida Agency Network

Charles Wismer
CEO
FincenRealEstateReport.com

What's Happening and Why

GTO 2016 to 2/28/2026

RER 3/1/2026 +

Test case success

- Geographic Targeting Orders require reporting on $300K+ all-cash residential purchases by legal entities in selected U.S. counties.
- 7% involve someone already under FBI investigation & 40% of reports match bank SAR.
- Money laundering and national security needs.

Expanding Scope and Data Collected

10x - 15x more reports per year

- Includes entities and trusts
- No price thresholds
- No geographic limits

111 datapoints from both sides

- Buyer and seller information
- Fund source information
- Complete ownership chain of details for buyers

Essential settlement agent resources to prepare:

Free Training | Exemption Checker | Collect & File Service | Explainer Form | Buyer & Seller Guide

Negligent violations can lead to:

- Civil fine up to $1,394 per violation
- Additional fine up to $108,489 for an ongoing pattern of negligence

Willful violations can lead to:

- Up to 5 years in prison
- Criminal fine up to $250,000 and/or prison
- Civil fine up to the greater of $69,733 or the amount involved, capped at $278,937

Final Rule. Consistent with the NPRM, FinCEN believes that it is unnecessary to list potential penalties in the regulatory text because the applicable penalties are already set forth by statute. Negligent violations of the final rule could result in a civil penalty of, as of the publication of the final rule, not more than $1,394 for each violation, and an additional civil money penalty of up to $108,489 for a pattern of negligent activity.[28] Willful violations of the final 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.[29] Such violations also could result in a civil penalty of, as of the publication of the final rule, not more than the greater of the amount involved in the transaction (not to exceed $278,937) or $69,733.[30] This penalty structure generally applies to any violation of a BSA requirement.[31] FinCEN intends to conduct outreach to potential reporting persons on the need to comply with the final rule's requirements.

Filing Deadlines

The Real Estate Report must be filed by the later of:

1. **The last day of the month following the month in which the transaction closes**
2. **Thirty calendar days after the date of closing**

This means most filers will have between 30 and 60 days to file.

Closing Date: Mar 15th Close → 2 Apr 15th → **Must File By:** 1 Apr 30th

** Remember information should be completely collected prior to closing.

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The FinCEN Compliance Process

Know when to start reports

- Training
- Exemption Check
- Internal Policies

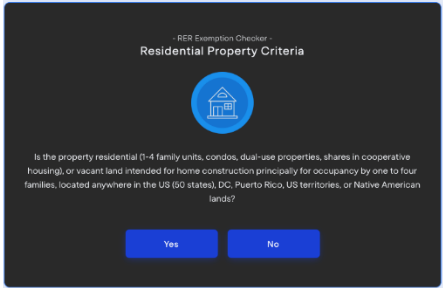
Communicating with customers

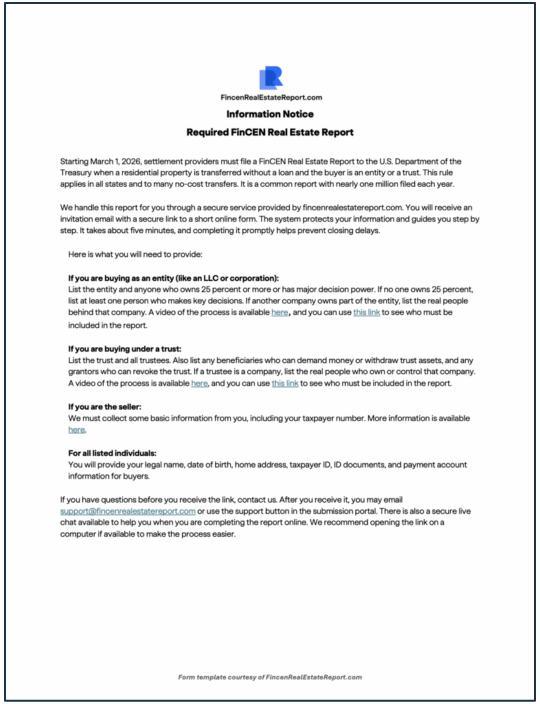
- Explainer Form
- Buyer Guide
- Seller Guide
- Owner Guide

Collecting information & filing

1. Explain reporting requirements
2. Distribute and collect
3. Serve as regulatory liaison
4. Follow up on submissions
5. Monitor compliance timelines
6. Coordinate closing readiness
7. File with FinCEN
8. Maintain compliance records

Examples of Resources Essential for RRE Operations





FincenRealEstateReport.com

Information Notice

Required FinCEN Real Estate Report

Starting March 1, 2026, settlement providers must file a FinCEN Real Estate Report to the U.S. Department of the Treasury when a residential property is transferred without a loan and the buyer is an entity or a trust. This rule applies in all states and to many no-cost transfers. It is a common report with nearly one million filed each year.

We handle this report for you through a secure service provided by fincenrealestatereport.com. You will receive an invitation email with a secure link to a short online form. The system protects your information and guides you step by step. It takes about five minutes, and completing it promptly helps prevent closing delays.

Here is what you will need to provide:

If you are buying as an entity (like an LLC or corporation):
List the entity and anyone who owns 25 percent or more or has major decision power. If no one owns 25 percent, list at least one person who makes key decisions. If another company owns part of the entity, list the real people behind that company. A video of the process is available here, and you can use this link to see who must be included in the report.

If you are buying under a trust:
List the trust and all trustees. Also list any beneficiaries who can demand money or withdraw trust assets, and any grantors who can revoke the trust. If a trustee is a company, list the real people who own or control that company. A video of the process is available here, and you can use this link to see who must be included in the report.

If you are the seller:
We must collect some basic information from you, including your taxpayer number. More information is available here.

For all listed individuals:
You will provide your legal name, date of birth, home address, taxpayer ID, ID documents, and payment account information for buyers.

If you have questions before you receive the link, contact us. After you receive it, you may email support@fincenrealestatereport.com or use the support button in the submission portal. There is also a secure live chat available to help you when you are completing the report online. We recommend opening the link on a computer if available to make the process easier.

Form template courtesy of FincenRealEstateReport.com

Real Estate Report

REAL ESTATE AGENT GUIDE TO FINCEN REAL ESTATE REPORTS

(for closings after 3/1/26)

What is the FinCEN real estate report

The real estate report is a new federal anti money laundering report filed with the U.S. Treasury (FinCEN) for certain residential real estate transfers starting in 2026. It is NOT a public record. Clients can be done in as little as 5 minutes with this new closing task.

When it is required (simple trigger test)

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 financing often triggers)

Can include no cost transfers (gifts). Applies in all states. Some transfers are exempt. **Settlement confirms if this is needed.**

The settlement or closing provider files (or a designated party). Real estate agents do not file but should have knowledge of this new requirement.

Process and timing

- Settlement typically emails a secure link to a short online form. Completing it promptly reduces closing friction.
- Simple structures often take 5 minutes. Complex entities or trusts can take longer.
- Settlement needs the information before closing per federal requirements.

What clients must provide to settlement

Entity Buyer:

- Entity legal name, address, jurisdiction, EIN
- Individuals with 25%+ ownership
- Individuals with substantial control (major decision authority)
- If another company owns any part, identify the real people behind it

Trust Buyer:

- Trust name, date executed, revocable or not
- All trustees
- Grantors who can revoke or withdraw assets
- Beneficiaries who can demand money or withdraw substantially all assets
- If a trustee is a company, identify the real people behind it

For each listed individual:

- Legal name, date of birth, home address
- Taxpayer ID (SSN or ITIN)
- Government ID image
- (Buyers Only) How funds are paid (wire, check, etc.) and source account information for funds used (number and bank name)

Seller side:

- Sellers may be asked for basic identifying info, including taxpayer ID

Agent talking points:

"LLC or trust buyer plus no bank mortgage usually means a FinCEN report."

"It is routine compliance. Fast responses prevent delays."

"If privacy is a goal, do not promise anonymity. Tell clients to speak with their attorney."

"Personal name, entity, or trust? Bank mortgage, or cash/private financing?" If entity or trust plus no bank mortgage, tell the client to expect a secure compliance form and to prepare ownership, ID, and payment source details."

LIVE EXPLAINER PAGES:

Buyers – fincenrealestatereport.com/fincen-for-buyers/

Sellers – fincenrealestatereport.com/fincen-for-sellers/

Speak with us 1 (877) 602-2237

https://fincenrealestatereport.com

contact@fincenrealestatereport.com

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CRITIERIA 1

Is the property residential?

Located anywhere in the US (50 states), DC, Puerto Rico, US territories, or Native American Reservations.

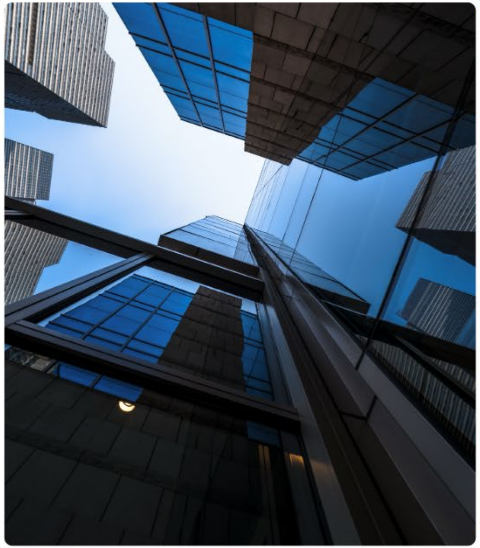
Includes 1-4 family units, condos, dual-use properties, shares in cooperative housing, or vacant land intended for home construction.

IF YES

CRITERIA 2

Is ANY buyer is Legal Entity or Trust?

This includes LLCs, corporations, or trusts managed by trustees, even if these entities are only co-buyers alongside individuals.



IF YES

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CRITERIA 3

Is the transaction non-financed?

Property is being purchased without financing from a bank, mortgage broker, or other regulated lender with AML obligations.

Note: Private or seller financing does not count as an exemption.

IF YES

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CRITERIA 4

Do any rare exemptions apply?

- Death transfer (will, trust, inheritance)
- Divorce/dissolution settlement
- Transfer to bankruptcy estate
- Court-ordered or supervised transfer
- Easement (no property transfer)
- 1031 exchange to Qualified Intermediary
- Gift to seller's own trust (no payment)
- Buyer is regulated entity (bank, credit union, insurance co., public company, etc.)
- Buyer is government authority
- Trust buyer with public company trustee
- Statutory business trust (like Delaware DST)

IF NO

Reporting Required.

Plan your expected reporting volume based on how many residential (include land) cash transactions are selling to LLCs, Corps, or Trusts. For a quick estimate, assume **15%** of your total transactions.

Tip: Don't start paperwork for transactions that do not require filing. We learned from BOI that it's important to separate the qualification and data collection elements.

Free Resource

Check any transaction in 1 minute before starting any filing. Bookmark link below for your team.

https://fincenrealestatereport.com/rer-quiz-tool/

Residential Property Criteria

Is the property residential (1-4 family units, condos, dual-use properties, shares in cooperative housing), or vacant land intended from home construction, located anywhere in the US (50 states), DC, Puerto Rico, US Territories, or Native American Reservations?

YES

NO

The Compliance Sandwich

Transaction Timeline

Check at Beginning

Run an exemption check within the first 5 days with front-line or backoffice team.

Watch for Updates

Train team to look out for switches to trusts/entities or financing fall-through.

Check Before Closing

Run an exemption check again just prior to closing.

MARKET METRICS

5.2M

ANNUAL TRANSACTIONS

4.6M homes, condos, coops.
600K residential land transactions.

per ATTOM data

780K-850K (15%)

ANNUAL REPORTS

Estimated annual RRE reports based on industry metrics and FinCEN. 15% of transaction volume is typically cash and to entities/trusts.

Per Office Metrics

50-250

MONTHLY CLOSINGS

Closings per month at each office.
69% under 75. 18% process 250+.

per ALTA data

10-40

MONTHLY FILINGS

RRE Report filings expected per office each month.
Matches 850K filings/20K offices.

Per Office Time

30-120

MONTHLY HOURS

Required for new FinCEN compliance at 3hrs per filing.
Can equate to 1 full-time staff member per office.

per FinCEN data

TIP: This can be reduced by 95% to 7min per filing.

$15K-$60K

Per Office Time

Annual cost for 25% to 100% of a staff member's time.

TIP: This can be reduced by 95% to $4K to $12K annually AND passed along at closing.

Who must file these reports?

Determined by the **reporting cascade**.

Settlement Agent or Attorney

Typically the party that must file.

1. The individual or business listed as the closing or settlement agent on the official closing or settlement statement.
2. If no such agent is listed, the professional who prepared the closing or settlement statement.
3. If neither of the above applies, the party who filed the deed or other legal document that formally transfers ownership of the residential property with the local recordation office.
4. If none of the above roles are involved, the underwriter of the owner's title insurance policy for the transferee. This is typically a title insurance company.
5. If none of the above parties are involved, the person or entity that disbursed the largest portion of funds connected to the transaction. This may include disbursements from an escrow account, trust account, or attorney trust account.
6. If no one has yet qualified, the party that evaluated the title status for the transaction.
7. Lastly, if none of the above apply, the individual or business that prepared the deed or, in the case of a cooperative housing unit, the party that prepared the stock certificate or other instrument evidencing ownership.

Underwriter

Rarely the party that must file.

Note: A designation agreement is a written agreement between professionals involved in a transaction that assigns filing responsibility to a specific party. It allows real estate professionals to shift reporting obligations in a clear and documented way, providing flexibility. Each agreement must be specific to a single transaction and kept on record for five years.

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Third-Parties and Designations

Prepare

- WHAT IS THE REAL ESTATE REPORT?
- WHEN IS A TRANSFER REPORTABLE?
- AM I A REPORTING PERSON?

File

- FILE A REPORT USING THE BSA E-FILING SYSTEM
- CREATE A BSA E-FILING ACCOUNT
- CREATE A LOGIN.GOV ACCOUNT

Alert: FinCEN Announces Postponement of Residential Real Estate Reporting Until March 1, 2026

On September 30, 2025, FinCEN issued exemptive relief from the requirements of the Residential Real Estate Rule until March 1, 2026. Accordingly, reporting persons are exempt from the requirement to file reports for reportable transfers that close prior to March 1, 2026. See https://www.fincen.gov/news/news-releases/fincen-announces-postponement-residential-real-estate-reporting-until-march-1 for more details.

Alert: Filing a Real Estate Report directly through FinCEN's BSA E-Filing System is free

There is no fee for submitting a Real Estate Report (RER) directly to FinCEN through FinCEN's BSA E-Filing System at https://bsaefiling.fincen.gov.

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

Final Rule. In the final rule, FinCEN adopts the allowance for designation agreements in 31 CFR 1031.320(c)(4) as proposed. Although FinCEN sees the potential benefits of blanket designation agreements, such agreements would undermine FinCEN's ability to enforce the rule, particularly when a Real Estate Report is not filed as required, and accordingly the final rule does not permit a blanket designation agreement in lieu of a separate designation agreement for each relevant transfer. A single transfer could be subject to multiple, potentially overlapping, blanket designation agreements between different parties. In such a situation, it would be difficult for FinCEN to determine which person had ultimate responsibility for filing the report, and even the persons described in the reporting cascade may not know who had filing responsibility. By comparison, a separate designation agreement for each transfer, describing the specific details of the transfer, makes that determination straightforward. The designation agreement is designed to provide an optional alternative to the reporting cascade that can be effectively and efficiently implemented by reporting persons if they choose. However, nothing in the final rule prohibits persons in the reporting cascade from having an understanding, in writing or otherwise, as to how they generally intend to comply with the rule, provided that they continue to effect designation agreements for applicable transfers.

The final rule also does not allow for third-party vendors who are not described in the reporting cascade to be designated as a reporting person, as such vendors are not financial institutions that can be regulated by FinCEN; a reporting person could outsource the preparation of the form to a third-party vendor, but the ultimate responsibility for the completion and filing of the report would lie with the reporting person.

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8 Steps of Every Report

Whether you're processing these manually or with automated tools/services, eight critical steps must be completed for every non-exempt transaction.

1. **Explain reporting requirements**
   Help buyers and sellers understand why reports are required and manage their concerns and protests.
2. **Distribute and collect**
   Provide appropriate forms or links to gather required information from all buying and selling parties.
3. **Serve as regulatory liaison**
   Answer questions about forms and requirements from both buyers and sellers working through 111 fields.
4. **Follow up on submissions**
   Track and pursue any missing or misunderstood information needed for compliance and "reasonable reliance."
5. **Monitor compliance timelines**
   Review all documentation and track progress against both closing dates and FinCEN filing deadlines, as collecting after closing is difficult.
6. **Coordinate closing readiness**
   Send reminders for outstanding items and notify team members when files are complete and ready to close.
7. **File with FinCEN**
   Prepare FinCEN forms (transfer info), check for errors, and upload to the government portal.
8. **Maintain compliance records**
   Securely archive all documentation and PII for the required five-year retention period.

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Time Required

The RRE report typically takes around 3 hours to complete, which aligns with the estimated range of 2.5 to 6 hours. But with automation, it can be done in just 2 minutes.

30min → 1min
Reduced to 1min with software

50min → 0min
Reduced to 3min with software

40min → 1min
Reduced to 1min with software

45min → 0min
Reduced to 2min with software

Communicate

Tasks & Time (Estimated)

10min	Start RER File
20min	Explain RER to all parties. (often 10m per party)

Requirements

- Communication script
- Staff training
- Escalation plan
- File tracking system

Obtain

Tasks & Time (Estimated)

20min	Share forms/links x2+
20min	Answer/route questions x2+
10min	Manage edge cases

Requirements

- Form or software
- Rule reference materials

Track

Tasks & Time (Estimated)

10min	Monitor deadlines
15min	Chase down missing info
10min	Update closing team
5min	Track statuses

Requirements

- File tracking dashboard
- Deadline alert system

Submit

Tasks & Time (Estimated)

10min	Check for errors
20min	Transmit to FinCEN (PDF best)
10min	Store files (5 years)
5min	Update file status (filed)

Requirements

- Error checking process
- Secure storage system

Thank you for attending.

Visit our webinar library at

OctoberStore.com/Webinars