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Starting March 1, 2026, the Financial Crimes Enforcement Network's (FinCEN) new rules requiring reporting of certain real estate transactions goes into effect. This is part of a broader effort to fight money laundering and increase transparency in U.S. real estate.

What's New?

Under FinCEN's Anti-Money Laundering Real Estate Transfers reporting rule (RRE Rule), "Reporting Persons" as defined, must report details about individuals who own or control legal entities or trusts involved in all-cash/non-conventional financed residential real estate transactions. This reporting requirement is no longer limited to certain cities or counties, nor is there a minimum purchase price as per FinCEN's prior Geographic Targeting Orders.

Top 7 Things You Should Know About FinCEN's New Rule

1 Settlement Agent is Now the Reporting Person:

The rule has a hierarchy of reporting persons, starting with the settlement agent. There are 6 other defined reporting persons¹ in the hierarchy. The settlement agent may designate another person in the hierarchy, which designation must be made in writing for each transaction and agreed to by the designee.

2 It Will Be Nationwide:

The reporting requirements that used to apply only in certain "hot spot" markets will now apply across the entire U.S. starting March 1.

3 All-Cash Buyers:

The new rule targets residential purchases, including vacant land intended for the construction of a 1-4 family structure, made in cash, or without institutional lender financing. In other words, transactions involving private lenders are reportable.

4 Entity Buyers:

At least one of the buyers/transferees must be a legal entity, LLC, corporation, partnership, trust, trustee or other non-natural person.

5 More Documentation Will Be Required Upfront:

Escrow will be responsible for collecting and submitting information about the entities or trusts and their beneficial owners and signers to FinCEN using a new "Real Estate Reporting (RER)" system.

6 Real Estate Agent's Role:

Agents should educate their buyers that if they're using an entity or trust to purchase their real estate, they will need to provide personal information about the actual people behind the entity.

7 Information About Transferor (Seller) is Now Required:

- If Individual: Full legal name, date of birth, current residential address and IRS TIN
- If Entity: Full legal name, DBA, current business address, TIN or foreign equivalent
- If Trust: Full name of trust as listed on trust agreement; date trust agreement executed, TIN (if available) and legal name, address and TIN for Trustee

Why It Matters

- Missing or incorrect information could delay closings
- Agents should alert their buyers early on about these new requirements
- Escrow teams will need more lead time to gather information and verify documents

Move Forward with Confidence

First American Title Insurance Company and/or its applicable affiliates (collectively, “First American”), is preparing for the changes, while continuing to meet the current FinCEN reporting requirements. We are working with our teams to:

- Build efficient processes that minimize disruption
- Educate settlement agents, real estate agents, and buyers so all parties to the transaction know what to expect
- Ensure we are ready to report accurately and on time

Stay Informed

This is a significant shift, but we are prepared to keep transactions running smoothly and avoid delays. Scan the resources below for additional information on these changes.



ALTA:
Financial Crimes
Enforcement
Network (FinCEN)



FinCEN:
Fact Sheet Regarding
Residential Real Estate
Reporting

(2) the person that prepares the closing or settlement statement for the transfer; (3) the person that files with the recordation office the deed or other instrument that transfers ownership of the residential real property; (4) 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) 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) the person that provides an evaluation of the status of the title; and finally (7) the person that prepares the deed or, if no deed is involved, any other legal instrument that transfers ownership of the residential real property.

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