

FinCEN NOTICE

NEW REAL ESTATE REPORTING RULE FOR SELLERS

AFFECTING CLOSINGS ON OR AFTER MARCH 1, 2026

Does this apply to you?

If you are selling residential real estate and the buyer is a legal entity, (e.g., LLC, Corporation, Partnership, Trust) not directly in an individual name AND the purchase is not traditionally financed, this could apply to you.

www.fincen.gov/rre

What sellers need to know and what they might be asked to sign:

While the reporting burden largely falls on the buyer, sellers will have some responsibilities and likely be asked to execute documents as part of the closing to facilitate compliance. Here's what the seller should expect or potentially sign:

**1. Seller Representations / Collection and Certification Form (in the initial closing package)
Acknowledgment / Information Collection**

The seller may be asked to provide identity information (name, address, taxpayer ID) so that the reporting party can include the transferor's information in the Real Estate Report.

2. Cooperation Clause / Access to Information

The purchase contract or closing documents might include a clause obligating each party (seller and buyer) to cooperate in gathering and providing necessary information for FinCEN reporting (e.g. documents, certifications, etc.).

Important takeaways for sellers.

Timing and cooperation matters:

The closing schedule might be impacted because the reporting person must collect and verify beneficial ownership data. Sellers should be ready to cooperate promptly.

