



Summary

The Hart-Scott-Rodino Act (HSR) requires parties to certain mergers and acquisitions to file premerger notification reports with the Federal Trade Commission (FTC) and Department of Justice (DOJ) and observe a waiting period before closing. Since 1996, the FTC has exempted certain real estate transactions from HSR reporting requirements because these acquisitions are unlikely to violate antitrust laws.

In May 2026, RER [submitted comments](#) urging the FTC and DOJ to preserve the real estate exemptions, warning that removing them would impose substantial costs and delays on lawful real estate transactions without delivering any clear antitrust benefit. RER emphasized that real estate markets remain local, highly fragmented, and shaped by property type, geography, zoning rules, neighborhood characteristics, and other market-specific factors.

Key Takeaways

- The real estate exemptions were adopted in 1996 because certain categories of real property acquisitions were considered unlikely to violate antitrust laws.
 - The exemptions cover several categories of real property acquisitions, including office, residential, retail, hotel, warehouse, agricultural, recreational, and other rental real estate assets.
 - The agencies have not provided evidence that circumstances have changed materially since the exemptions were adopted, or that exempted real estate transactions have had a negative effect on competition.
 - Eliminating the exemptions would impose new regulatory burdens, increase costs, slow closings, disrupt market liquidity, and create additional uncertainty at a time when capital formation remains critical to investment and development.
 - Removing the exemptions would not be a targeted way to address concerns about single-family housing acquisitions by large institutional investors, and could instead increase costs for homebuilders and residential developers working to address the nation's housing shortage.
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Background

HSR Real Estate Exemptions

- Congress authorized the FTC to exempt from HSR reporting requirements transactions that are not likely to violate antitrust laws.
- In 1996, the FTC adopted specific real estate exemptions under 16 C.F.R. § 802.2 and 16 C.F.R. § 802.5 after concluding that certain categories of real property acquisitions were unlikely to raise antitrust concerns.
- At the time, the FTC said the exemptions would “remove an unnecessary burden from business” and allow the FTC and DOJ to better focus resources on transactions more likely to cause competitive harm.
- HSR filing fees can reach up to \$2.46 million depending on deal size, before accounting for legal, financial, and operational costs associated with preparing filings.
- The vast majority of transactions covered by the exemptions do not involve single-family housing, and many single-family housing transactions would not meet the HSR filing threshold even if the exemptions were removed.

Recommendations

Preserve the Real Estate Exemptions: The FTC and DOJ should retain the longstanding HSR real estate exemptions and avoid imposing new filing requirements on transactions that remain unlikely to raise antitrust concerns.



Preserving HSR Real Estate Transaction Exemptions

The Real Estate Roundtable

- The agencies should not eliminate or curtail the exemptions absent evidence that exempted real estate transactions have harmed competition.
- Any review of the exemptions should recognize that real estate markets are local, fragmented, and shaped by property-specific and geography-specific factors.
- Concerns about single-family housing acquisitions should be addressed through more targeted tools, rather than broad changes affecting a wide range of commercial, residential, agricultural, retail, warehouse, hotel, and other real estate transactions.
- Preserving the real estate exemptions would help maintain market liquidity, support capital formation, and protect investment needed for housing, economic growth, and the broader real estate economy