



Quick Reference Guide – Exceptions



For the purposes of the Real Estate Report, there are exceptions that apply to certain types of transfers, entities, and trusts. Reporting persons should evaluate the specific facts of each individual transfer to determine whether it constitutes a reportable transfer.



A transfer is reportable when all four conditions are met:

1. The real property is residential;
2. The transfer is non-financed;
3. The property is transferred to a certain type of entity or trust; and
4. An exception does not apply.



Which types of transfers do not meet the criteria for a reportable transfer?

The following transfers are **excepted** from the definition of a reportable transfer.

A transfer **does not need to be reported** if it meets any of the following criteria.

- It is a transfer that is a grant, transfer, or revocation of an easement.
- It results from the death of an individual, whether pursuant to the terms of a will, the terms of a trust, the operation of law, or by contractual provision.
- It is incidental to divorce or dissolution of a marriage or civil union.
- It is made to a bankruptcy estate.
- It is supervised by a court in the United States.
- It is 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.
- It is made to a qualified intermediary for the purposes of a like-kind exchange (see Section 1031 of the Internal Revenue Code).
- It does not have a reporting person.



Which types of entities do not meet the criteria of a transferee entity?

The following regulated entities are **excepted** from the definition of a transferee entity.

Transfers to these types of entities **do not need to be reported**.

1. Securities reporting issuer
2. Governmental authority
3. Bank
4. Credit union
5. Depository institution holding company
6. Money services business
7. Broker or dealer in securities
8. Securities exchange or clearing agency
9. Other Exchange Act registered entity
10. Insurance company
11. State-licensed insurance producer
12. Commodity Exchange Act registered entity
13. Public utility
14. Financial market utility
15. Registered investment company
16. Subsidiary of an excepted entity



Which types of trusts do not meet the criteria of a transferee trust?

These following trusts are **excepted** from the definition of a transferee trust. With the exception of transfers to a statutory trust, transfers to these types of trusts **do not need to be reported**.

1. Securities reporting issuer
2. Trusts that have a trustee that is a securities reporting issuer
3. Statutory trust*
4. Subsidiary of an exempted trust

*Note: A statutory trust is treated as a transferee entity and, thus, may need to be reported.