

said new paragraph to follow immediately after paragraph (k) of Sub-section (1) of said Section 25 and to be known as paragraph (k-a) authorizing domestic stock and mutual life insurance companies to invest a portion of their funds in unencumbered fee-simple or improved leasehold real estate.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That a new paragraph be and the same is hereby added to Sub-section (1) of Section 25 of Article 48A of the Annotated Code of Maryland (1943 Supp.), title "Insurance", subtitle "General Provisions", said new paragraph to follow immediately after paragraph (k) of Sub-section (1) of said Section 25 of said Article, to be known as paragraph (k-a), and to read as follows:

25.

(1).

(k-a) Such unencumbered, fee-simple or improved leasehold real estate other than property to be used primarily for mining, recreational, amusement, hotel or club purposes, as may be acquired as an investment for the production of income, or as may be acquired to be improved or developed for any such investment purpose, subject to the following conditions and limitations: (1) The cost of each parcel of real or leasehold property so acquired under the authority of this paragraph, including the cost to the company of the improvement or development thereof, when added to the book value of all other real or leasehold property then held by it pursuant to this paragraph, shall not exceed 5 percent of its admitted assets as of the 31st day of December next preceding, and when added to the value of all real estate however acquired or held for investment, including home office and branch office properties, shall not exceed 20% of the company's total admitted assets; and (2) The cost of each parcel of real or leasehold property acquired under the authority of this paragraph, including the cost to the company of the improvement or development thereof, shall not exceed one-fourth of 1 percent of the company's admitted assets as of the 31st day of December next preceding. Except as may be otherwise required by the Commissioner, each parcel of real or leasehold property held by the company under this paragraph, shall be valued on its books as of the 31st day of December of each year at an amount that will include a write-down of the cost of such property, including all improvement or development costs, at a rate that will average not less than 2 percent per annum of such cost for each year or part thereof, that the property has been so