

(3) FOR EXPIRED REDEEMABLE GROUND RENTS, ANY PREMIUMS PAID MUST BE CHARGED OFF WHEN ACQUIRED.

(4) A LIFE INSURER SHALL CARRY REDEEMABLE GROUND RENTS PURCHASED AT A DISCOUNT AT AN AMOUNT NOT GREATER THAN THE COST OF ACQUISITION.

(I) COLLATERAL LOANS.

(1) THE RESERVE INVESTMENTS OF A LIFE INSURER MAY INCLUDE COLLATERAL LOANS SECURED BY PLEDGE OF ANY SECURITY LISTED IN SUBSECTIONS (C) THROUGH (H) OF THIS SECTION IF THE CURRENT MARKET VALUE OF THE PLEDGED SECURITY AT ALL TIMES DURING THE TERM OF THE LOAN IS AT LEAST 10% MORE THAN THE UNPAID BALANCE OF THE LOAN AMOUNT.

(2) EACH COLLATERAL LOAN IS SUBJECT TO THE POWER OF THE LIFE INSURER TO TERMINATE IT IF THE PLEDGED SECURITY DEPRECIATES BELOW 10% OF THE UNPAID BALANCE OF THE LOAN AMOUNT.

(J) COMMERCIAL REAL ESTATE.

(1) FOR PURPOSES OF THIS SUBSECTION, REAL ESTATE SOLD UNDER A CONTRACT OF SALE IN WHICH TITLE IS RETAINED IN THE LIFE INSURER SHALL BE CLASSIFIED AS REAL ESTATE.

(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE RESERVE INVESTMENTS OF A LIFE INSURER MAY INCLUDE:

(I) REAL ESTATE FOR THE OFFICE AND BUSINESS PURPOSES ONLY OF THE LIFE INSURER, EXCEPT AS AUTHORIZED BY SUBSECTIONS (G) AND (H) OF THIS SECTION; OR

(II) PROPERTY PRIMARILY FOR THE USE OF EMPLOYEES OR CUSTOMERS OF THE LIFE INSURER FOR PARKING WITH OR WITHOUT CHARGE.

(3) THE EQUITY VALUE OF ALL REAL ESTATE HELD UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY NOT EXCEED 20% OF THE LIFE INSURER'S TOTAL ADMITTED ASSETS.

(4) A LIFE INSURER MAY PURCHASE AND HOLD REAL ESTATE UNDER A FORECLOSURE OF ITS OWN MORTGAGES OR A DEED IN LIEU OF MORTGAGE FORECLOSURE FOR NOT MORE THAN 5 YEARS.

(5) SUBJECT TO PARAGRAPH (6) OF THIS SUBSECTION, THE COMMISSIONER MAY GRANT EXTENSIONS FOR PERIODS NOT EXCEEDING 5 YEARS EACH OF THE PERIOD WITHIN WHICH REAL ESTATE MAY BE HELD UNDER PARAGRAPH (4) OF THIS SUBSECTION, IF THE COMMISSIONER CONSIDERS THE EXTENSIONS NECESSARY TO SERVE THE BEST INTEREST OF THE LIFE INSURER AND ITS POLICYHOLDERS.