

the appraisal shows that the appraised value of the real estate equals or exceeds the book value of the real estate, the Commissioner shall grant extensions for periods not exceeding 5 years each.

(7) With the written approval of the Commissioner, a life insurer may acquire property as partial payment of the consideration for the sale of real estate owned by the life insurer if the transaction causes a net reduction in the investment of the life insurer in real estate.

(8) With the approval of the Commissioner, a life insurer may acquire other real estate if necessary or convenient to enhance the market value of real estate previously acquired or held by the life insurer in accordance with this subsection.

(k) The reserve investments of a life insurer may include interest, rents, or other fixed income due and accrued on:

(1) an investment authorized under subsections (c) through (e) and (g) through (j) of this section; or

(2) policy loans of the life insurer.

(l) (1) The real estate authorized by this subsection to be held as a reserve investment by a life insurer does not include property to be used primarily for mining, recreational, amusement, hotel, or club purposes.

(2) Subject to paragraphs (3) through (6) of this subsection, the reserve investments of a life insurer may include fee-simple or improved leasehold real estate or interests in limited partnerships formed for the development or ownership of fee-simple or improved leasehold real estate, if acquired:

(i) as an investment for the production of income; or

(ii) to be improved or developed as an investment for the production of income.

(3) The cost of each parcel of fee-simple or improved leasehold real estate or each limited partnership interest acquired under this subsection, including the cost to the life insurer of improving or developing the real estate, may not exceed:

(i) 15% of the admitted assets of the life insurer, when added to the book value of all other fee-simple or improved leasehold real estate or limited partnership interests then held by the life insurer under this subsection; and

(ii) 20% of the total admitted assets of the life insurer, when added to the value of all real estate however acquired or held for investment by the life insurer, including home office and branch office properties.

(4) The cost of each parcel of fee-simple or improved leasehold real estate or each limited partnership interest acquired under this section, including the cost to the life insurer of improving or developing the real estate, may not exceed 1% of the admitted assets of the life insurer.