

§1125. Real estate

1. Except as provided in section 1127 (leased property), a domestic insurer may invest in real estate only if used for the purposes or acquired in the manners, and within the limits, as follows:

A. The building in which it has its principal office, the land upon which the building stands, and such other real estate as may be requisite for the insurer's convenient accommodation in the transaction of its business. The amount so invested shall not aggregate more than 15% of the insurer's assets. [PL 1987, c. 399, §9 (AMD).]

B. Real estate acquired in satisfaction of loans, mortgages, liens, judgments, decrees or debts previously owing to the insurer in the due course of its business. [PL 1969, c. 132, §1 (NEW).]

C. Real estate acquired in part payment of the consideration on the sale of other real estate owned by it, if such transaction shall have effected a net reduction in the insurer's investments in real estate. [PL 1969, c. 132, §1 (NEW).]

D. Real estate acquired by gift or devise, or through merger, consolidation or bulk reinsurance of another insurer under this Title. [PL 1969, c. 132, §1 (NEW).]

E. The seller's interest in real estate subject to an agreement of purchase or sale, but the sum invested in any such interest shall not exceed 2/3 of the fair value of such parcel. [PL 1969, c. 132, §1 (NEW).]

F. Additional real estate and equipment incident thereto, if necessary or convenient for the purpose of enhancing the sale or other value of real estate previously acquired or held under this section. Such real estate and equipment, together with the real estate for the enhancement of which it was acquired, shall be included, for the purpose of applicable investment limits, and shall be subject to disposal under section 1133 at the same time and under the same conditions as apply to such enhanced real estate. [PL 1969, c. 132, §1 (NEW).]

G. Improved real estate, or any interest therein, acquired or held by purchase, lease or otherwise, acquired as an investment for production of income, or acquired to be improved or developed for such investment purposes pursuant to an existing program therefor. The insurer may hold, mortgage, improve, develop, maintain, manage, lease, sell, convey and otherwise dispose of real estate acquired by it under this provision. [PL 1969, c. 132, §1 (NEW).]

[PL 1987, c. 399, §9 (AMD).]

2. For the purposes of section 1124 (mortgage loans) and this section, "improved" real property means:

A. Farmland used for tillage, crop or pasture; [PL 1969, c. 132, §1 (NEW).]

B. Real estate on which permanent improvements, or improvements under construction or in process of construction, suitable for residence, residential, recreational, institutional, commercial or industrial use, are situated; and [PL 1969, c. 132, §1 (NEW).]

C. Real estate to be developed for the use or uses set forth in paragraph B, on which improvements, or improvements under construction or in process of construction, such as streets, sidewalks, sewers and utilities which will become an integral part of such development, are situated or abut. [PL 1969, c. 132, §1 (NEW).]

[PL 1969, c. 132, §1 (NEW).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW). PL 1987, c. 399, §9 (AMD).

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