

40-2b10. Real estate. No life insurance company organized under the laws of this state shall purchase, hold or convey real estate, except for the purposes and in the manner herein set forth:

(a) Such as shall be requisite for its convenient present and future accommodation in the transaction of its business. In the erection or purchase of any buildings for such purpose, additional space may be included for home office rental income;

(b) such as shall have been mortgaged to it in good faith, by way of security for loans previously contracted or for money due;

(c) such as shall have been conveyed to it in satisfaction of debts previously contracted in their legitimate business or for money due;

(d) such as shall have been purchased at sales upon judgments, decrees or mortgages obtained or made for such debts; or

(e) such as shall have been acquired for development or income purposes.

It shall not be lawful for any such company to purchase, hold or convey real estate in any other case or for any other purpose, except nothing in this section shall be deemed to prohibit any such company from purchasing the principal residence owned and inhabited by an employee or prospective employee who is being transferred by the company to a different community; and all such real estate as may be acquired as aforesaid, and which shall not be necessary for the accommodation of such company in the transaction of its business, except real estate acquired for development or income purposes, shall be sold and disposed of within five years after such company shall have acquired title thereto, unless the company shall procure a certificate from the commissioner of insurance that the interests of the company will suffer materially by a forced sale thereof in which event the sale may be postponed for such period as the commissioner of insurance shall direct in such certificate. If the company so elects, real estate other than farm properties, which has been acquired under subsections (c) and (d) may be held by it for income purposes. The company's aggregate investment in real estate as herein provided shall not exceed 20% of the admitted assets of the company, as shown by its last annual report as filed with the commissioner of insurance or a more recent quarterly financial statement as filed with the commissioner, on a form prescribed by the national association of insurance commissioners, within 45 days following the end of the calendar quarter to which the interim statement pertains.

History: L. 1972, ch. 179, § 10; L. 1982, ch. 201, § 3; L. 1983, ch. 156, § 9; L. 1987, ch. 160, § 11; July 1.