

PUBLIC EMPLOYEE RETIREMENT SYSTEM INVESTMENT ACT (EXCERPT)
Act 314 of 1965

38.1138 Investment in real estate or mortgages on certain leased real property.

Sec. 18. An investment fiduciary may invest in real estate or mortgages on real property leased or to be leased to the United States government, or to a state, territory, agency, authority, or public instrumentality of the United States, if the investment does not exceed 100% of the appraised value of the property subject to the mortgage and if all of the following requirements are met:

- (a) The lease has an unexpired term exclusive of optional renewal terms equal to or greater than the remaining term of the investment.
- (b) The lease provides for net rental payments equal to or greater than the periodic payments on the investment.
- (c) The lease and the lease payments are assigned to the system.

History: Add. 1982, Act 55, Imd. Eff. Apr. 6, 1982.