



LAWS OF ALASKA

1994

Source

SCS HB 373(FIN)

Chapter No.

56

AN ACT

Relating to investments of the permanent fund involving equity interests in and debt obligations secured by mortgages on real estate; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: May 24, 1994

Actual Effective Date: May 25, 1994

AN ACT

1 Relating to investments of the permanent fund involving equity interests in and debt
2 obligations secured by mortgages on real estate; and providing for an effective date.

3

4 * Section 1. AS 37.13.120(g)(16) is amended to read:

5 (16) equity interests in, and debt obligations secured by mortgages
6 granting a first lien on, real estate improved by completed and substantially rented
7 buildings and located in the United States [,] if the total value held by the fund in
8 each investment does not exceed \$150,000,000, and, if the total value held by the
9 fund in each investment exceeds \$150,000,000, these investments are made

10 (A) in a corporation, partnership, trust, or other entity in which,
11 at the conclusion of each investment transaction, at least 33 [60] percent of the
12 beneficial ownership interests are held by other institutional investors, and
13 which is organized and operated for the purpose of making real estate

Chapter 56

1 investments by a bank, insurance company, or other manager of institutional
2 funds that has had at least five years of experience in the management of real
3 estate investments of institutional investors; or

4 (B) with corporations, partnerships, trusts, or entities in which,
5 at the conclusion of each investment transaction, at least 33 [60] percent of the
6 beneficial ownership interests in the co-investing entity or entities as a whole
7 are held by institutional investors, and if

8 (i) at the time of investment the fund has no more than
9 a 67 [40] percent beneficial ownership interest in the real estate
10 invested in as a whole;

11 (ii) the rights and obligations of the fund are
12 substantially similar to those of the other institutional investors, except
13 for the percentage interest in the property; and

14 (iii) the property is managed and operated by an entity
15 that has had at least five years of experience in the management of real
16 estate investments of institutional investors;

17 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).