§ 174. Restrictions on purchases of, and loans on real estate. 1. No private banker shall purchase with funds held by him as private banker any real estate except a plot upon which there is or may be erected a building suitable for the convenient transaction of his business; nor make a loan of such funds upon the security of real estate, if such real estate is unimproved, in excess of two-thirds, and if such real estate is improved by a building or buildings or is to be improved by a building or buildings in the process of construction, the major portion of which building or buildings is used, or in the case of a building under construction is to be used, for residential, business, manufacturing or agricultural purposes, in excess of three-fourths, of the appraised value of such real estate, or in an amount which when added to the amount unpaid upon prior mortgages, liens and encumbrances upon such real estate exceeds the foregoing respective proportions of such appraised value, or if such real estate is subject to a prior mortgage, lien or encumbrance and the amount unpaid upon such prior mortgage, lien or encumbrance or the aggregate amount unpaid upon all prior mortgages, liens and encumbrances exceeds ten per centum of the permanent capital of such private banker.

2. All real estate acquired by a private banker in satisfaction or reduction of loans of funds held by him as a private banker, shall be sold within five years from the date of its acquisition, unless the superintendent upon application shall extend the time within which such sale shall be made.