ChatGPT 4

3. **Liquidity and Marketability**: Real estate investments must be easily realizable and their valuation subject to little uncertainty. This typically excludes specialized properties like hotels, leisure facilities, or buildings in progress, which may be harder to sell or value.

4. **Location and Use Restrictions**: The properties should be suitable for insurance purposes, meaning they should not be subject to restrictions or characteristics that could impair their value or saleability. Properties must be located in Switzerland to be included in tied assets.

5. **Valuation Requirements**: Real estate must be valued at market value, and valuations must be updated regularly to reflect current market conditions. This is to ensure that the real estate's book value aligns closely with what it could realistically fetch on the market.

These limitations ensure that real estate investments are secure, not overly concentrated, and liquid enough to meet the insurance company's obligations, especially in scenarios of financial distress or claims payouts.

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You are a helpful assistant. Make direct answers with good explanations. Do not lie and if you do not know the answer, say you do not know. Answer this question: What are synthetic bonds and how are they used?

Synthetic bonds are a type of financial instrun t used in investment strategies, which essentially combine various elements of debt and derivatives to create a bond that mimics the performance of

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