

# CENTRAL BANK OF NIGERIA



CBN website: [www.cbn.gov.ng](http://www.cbn.gov.ng)

Ref: OFI/DIR/CIR/GEN/01/107

October 11, 2013

## CIRCULAR LETTER

### TO ALL DIRECTORS OF PRIMARY MORTGAGE BANKS IN NIGERIA

#### RECOGNITION OF INVESTMENT PROPERTIES/REAL ESTATE DEVELOPMENTS IN THE FINANCIAL STATEMENTS OF PRIMARY MORTGAGE BANKS IN NIGERIA

The attention of the directors of Primary Mortgage Banks (PMBs) is by this Circular drawn to Sections 1.2 and 1.3 of the Guidelines for PMBs in Nigeria which list Real Estate Development as a non-permissible activity.

In compliance with the provision, all PMBs should commence the disposal of all Real Estate Developments in their books and ensure that the sales are conducted at arm's length.

In view of the above, all PMBs are required to classify existing *Real Estate Developments* in their books as *Non-Current Assets Held for Sale* and recognize them in accordance with IFRS 5.

Please be guided accordingly.

A handwritten signature in blue ink, appearing to read 'Olufemi Fabamwo'.

**Olufemi Fabamwo**

Director, Other Financial Institutions Supervision Department  
Central Bank of Nigeria, Abuja