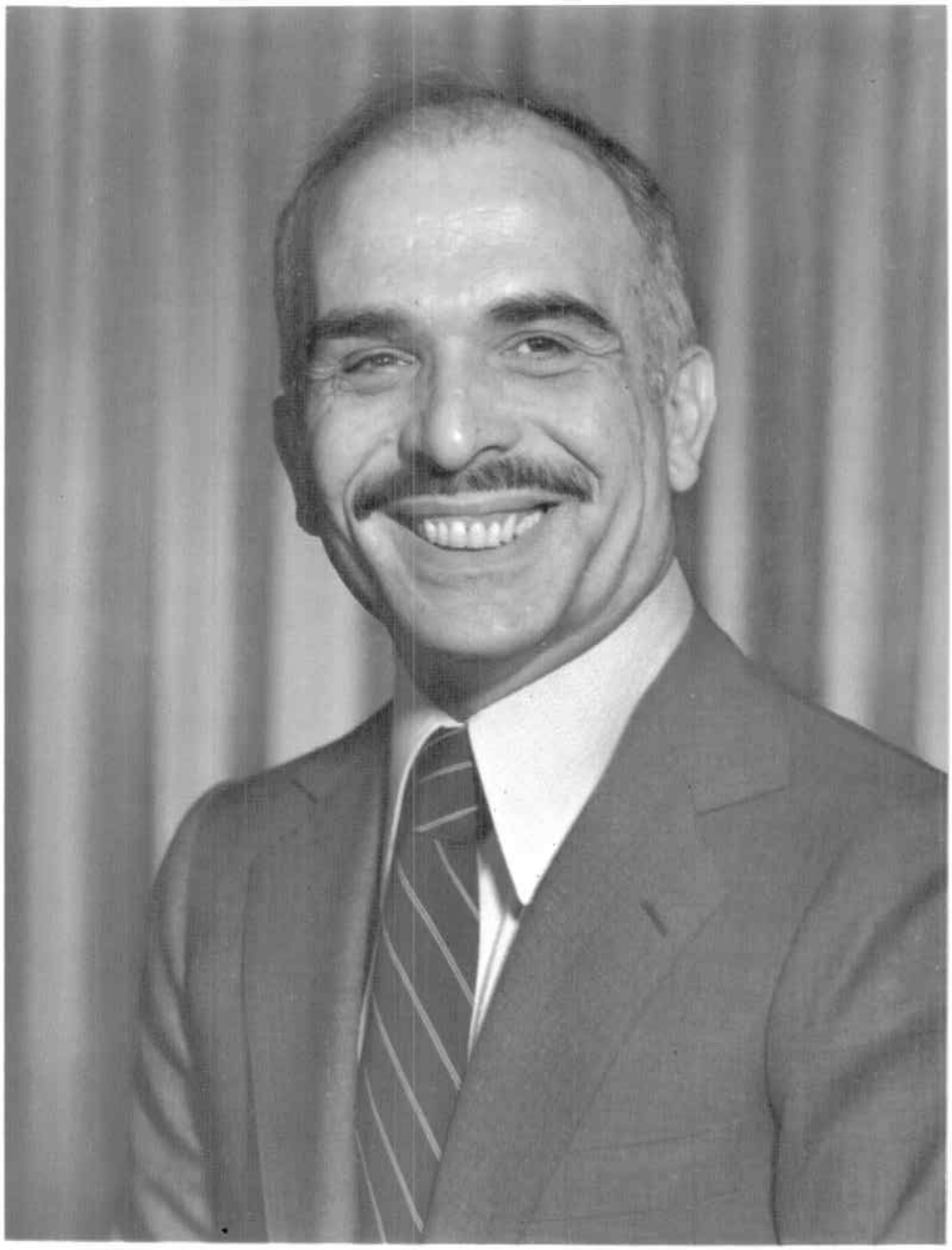
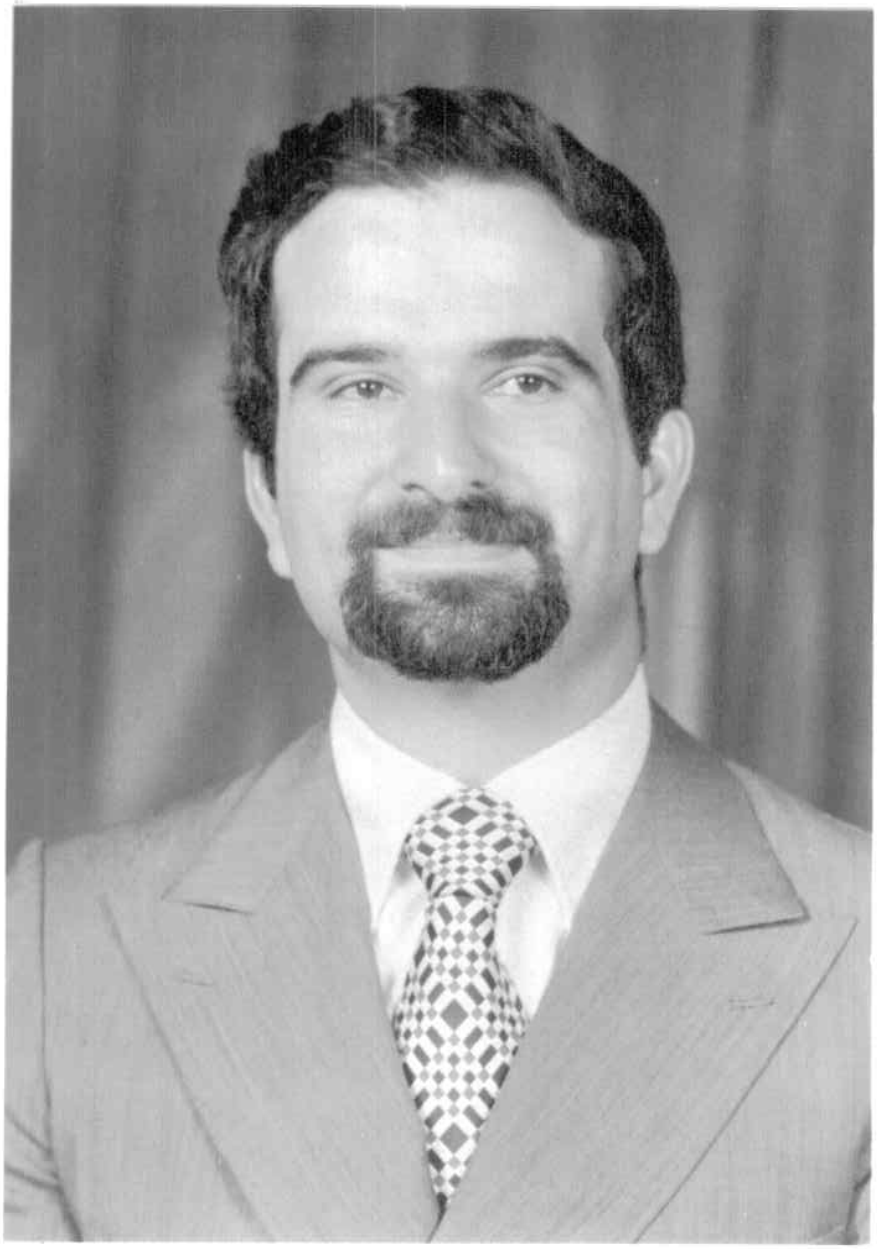
THE HOUSING BANK

ESTABLISHED	1973
AUTHORISED CAPITAL	JD. 18,000,000
PAID - UP CAPITAL	JD. 12,000,000
HEADQUARTERS	POLICE COLLEGE STREET ABDALI, AMMAN.
P. O. BOX	7693
TELEX	21693 JO
CABLE	ISKAN
TELEPHONE	67126 (4 Lines) 46323 (2 Lines) 64178 (2 Lines)



HIS MAJESTY KING HUSSEIN



HIS ROYAL HIGHNESS
CROWN PRINCE HASSAN

BOARD OF DIRECTORS

MR. ZUHAIR KHOURI

CHAIRMAN AND DIRECTOR - GENERAL

MR. MOHAMMAD ALI MUHANNA **DEPUTY CHAIRMAN**	Representative of the Kuwait Real Estate Investment Consortium, on Behalf of the Ministry of Finance of Kuwait

DIRECTORS

MR. ABDUL GHANI JARDANEH	Representative of the Ministry of Finance, Jordan.
MR. FAWAZ ZO'BI	Representative of the Central Bank of Jordan (Mr. Mohammed A. Saleh Represented the Central Bank of Jordan Between 1-1-79 and 31-8-79)
MR. HAMDALLAH NABULSI	General Manager of the Housing Corporation.
MR. ABDUL KADER AL KADI	Representative of the Ministry of Finance and Petroleum, Government of Qatar.
H.E. BURHAN KAMAL	Representative of Preferred Shareholders.
MR. JAWDAT SHASHA'A **(Messrs. Jordanian Insurance Company Ltd.).**	Representative of Preferred Shareholders.
MR. MUNTHER FAHOUM	Representative of Preferred Shareholders.
MR. SHEHADEH TWAL	Representative of Preferred Shareholders.
MR. SHAFIC ZAWAYDEH	Representative of Prefered Shareholrers.

AUDITORS : SABA & CO.

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CHAIRMAN'S MESSAGE

The Board of Directors of the Housing Bank is pleased to present the Sixth Annual Report on the activities of the Bank for 1979.

A review of our Balance Sheet shows that the Housing Bank has performed and progressed solidly during the past six years, contributing to the growth of the Jordanian economy and the financing requirements of Jordanian homeowners and citizens. Assets have increased from JD 87 million at the end of 1978 to JD 112 million at the end of 1979, an increase of 29%. Deposits increased by 40% in the same period, rising from JD 61.7 million to JD 86.2 million. Loans extended by the Bank increased by 33% from JD 61 million to JD 81.3 million.

The Bank's profits also rose commensurately, from JD 1.62 million in 1978 to JD 2.13 million in 1979, while the Bank's reserves increased from JD 2.81 million in 1978 to JD 4.02 million by the end of 1979. On the basis of these results, the Board has decided to distribute a dividend of 9% for Preferred and Special shares, and to transfer the balance of the profits into its reserves, to further strengthen its financial position and facilitate future expansion prospects.

The Board takes this opportunity to thank all its customers and clients for their confidence in the services of the Housing Bank, as well as to express its appreciation to all public and private sector institutions, especially the Central Bank of Jordan, the Agricultural Credit Corporation and the Land Registration Department, for their constructive roles in the Bank's drive during 1979. A note of thanks is also due to the mass media in Jordan, whose role has also helped the Bank carry out its special mission.

The Board must express special gratitude and thanks to the Bank's employees, whose unrelenting effort, professionalism and integrity lie at the heart of the Bank's healthy performance. We look forward to maintaining the continued confidence of our clients, colleagues and staff members as we strive to play our role in helping provide adequate housing for all citiztns of Jordan, while simultaneously playing a growing part in achieving the overall investments, production and growth targets of the national five-year plan for social and economic development.

ZUHAIR KHOURI

CHAIRMAN AND DIRECTOR - GENERAL

THE HOUSING BANK DURING 1979

The end of 1979 witnessed the completion of the Bank's sixth year of operation, during which it sustained a growth rate that has brought the Hosing Bank to the position of having the most branches of any bank in Jordan, the second largest volume of deposits and the largest outstanding credit total of any specialised credit institution in the country. The Bank has also developed a position of credibility in Arab and International financial circles, and has been called upon to play a catalytic role in the establishment and development of other housing bank-type institutions throughout the Arab World. The following is a summary of the Bank's activities :

1. CAPITAL, DEPOSITS & OTHER SOURCES :

(i) Capital and Reserves :

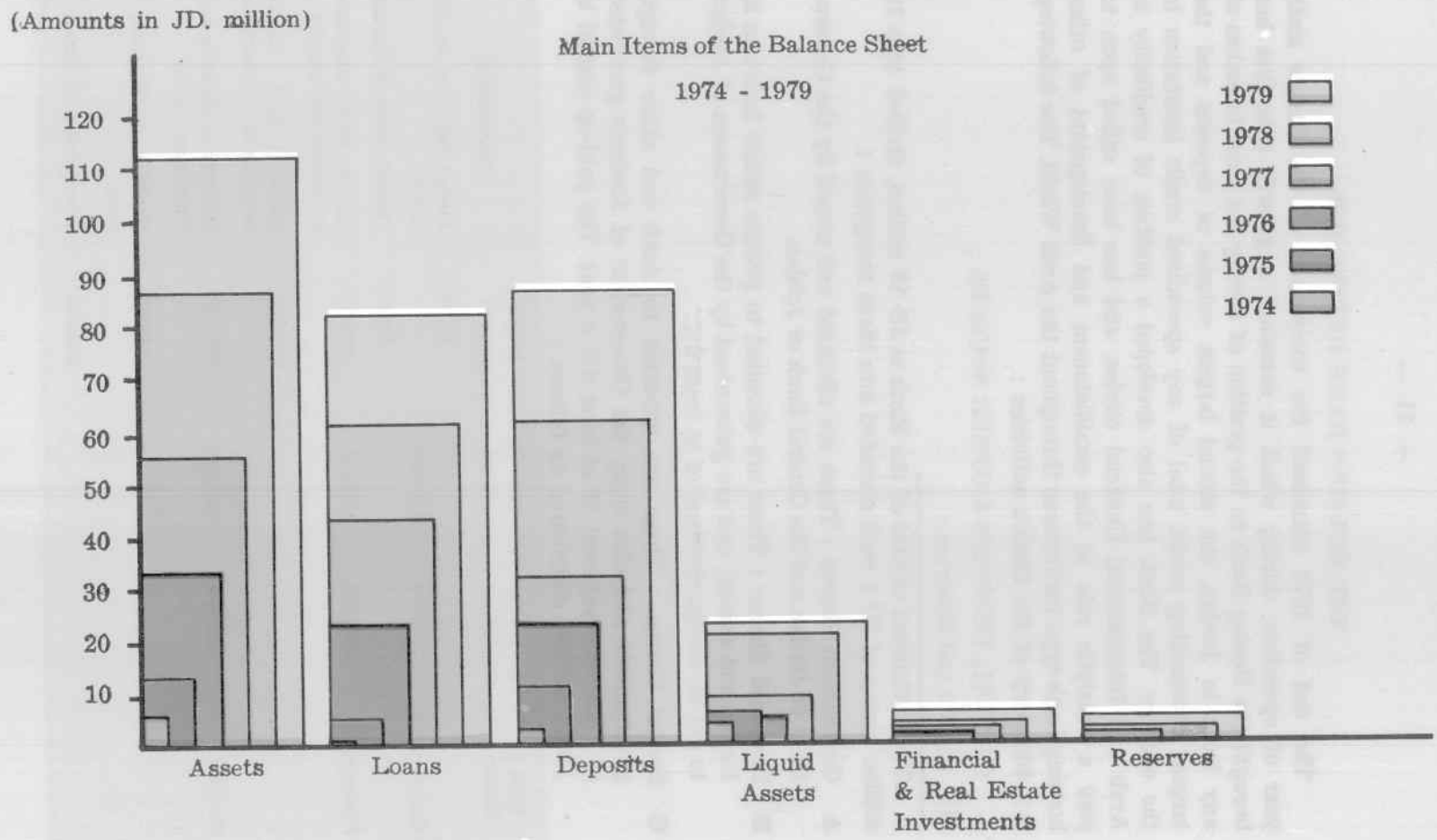
The authorised capital of the Bank is JD 18 million, divided into 18 million shares of JD 1 each classified into three categories :

A Government Shares : These are allocated and owned by the Government of Jordan and the Central Bank of Jordan.

B. Preferred Shares : These are allocated to private sector interests in Jordan and abroad, and are guaranteed by the Government of Jordan to get an annual dividend of at least 6%.

C. Special Shares : These are allocated to Arab and other foreign governments and also enjoy the Government of Jordan's gaurantee of a dividend payment of at least 6% a year. The paid-up capital is JD 12 million, distributed as follows :

Type of Shares	Authorised Capital	Paid-up Capital	Paid-up Capital	Shareholder
Government	1,000,000	1,000,000	500,000	Jordan Ministry of Finance.
			500,000	Central Bank of Jordan
Preferred	9,000,000	5,000,000	5,000,000	Private sector investors in Jordan and abroad
Special	8,000,000	6,000,000	3,000,000	Kuwait Real Estate Investment Consortium
			1,000,000	Ministry of Finance and Petroleum, Qatar
			1,000,000	Ministry of Finance, Iran.
			1,000,000	Government of Oman


(Amounts in JD. million)
Main Items of the Balance Sheet
1974 - 1979
1979
1978
1977
1976
1975
1974
120
110
100
90
80
70
60
50
40
30
20
10
Assets
Loans
Deposits
Liquid Assets
Financial & Real Estate Investments
Reserves

Reserves rose from JD 23000 in 1974 to JD 1.6 million by 1977 and to JD 4.02 million by the end of 1979. It is the Bank's policy to increase its reserves annually, to strengthen its capital base and provide a sound basis for future expansion as well as an added cushion for unanticipated obligations. The following table shows the development of the main items of the Bank's Balance Sheet since it was established in 1974 :

TABLE (1)

MAIN BALANCE SHEET ITEMS - 1974 - 79 (In JD 000)

ITEM	1974	1975	1976	1977	1978	1979	%rise in1979
Cash in Hand & at Banks	4143	6952	5398	8115	20642	22085	7
Balance of Loans	972	5312	23353	42961	61032	81324	33
Equity Shareholdings	—	128	544	1183	1514	2324	53
Real Estate Investments	—	—	893	1629	2769	3351	21
Deposits	3085	10678	22789	36754	61650	86196	40
Gross Income	173	647	1777	3195	5154	7499	45
Reserves	23	54	529	1606	2810	4016	43
Net Profit	59	128	554	920	1619	2128	31
Total assets/liabilities	5221	12980	32098	54948	86572	111672	29

(ii) Deposits :

The Bank's policy is to encourage savings by Jordanians, with the twin aims of soking up excess liquidity to dampen inflationary pressures as well as to redirect money into productive long-term investments within the context of the national development plan. The following table shows the growth in the number and volume of deposits since 1974.

TABLE II

TOTAL DEPOSITS - 1974-79

Year	Number of Accounts	Total Deposits (In million JDs)
1974	2532	3.1
1975	9634	10.7
1976	18238	22.8
1977	37522	36.8
1978	60386	61.7
1979	85801	86.2

As the figures show deposits have increased from JD 61.7 million at the end of 1978 to JD 86.2 million at the end of 1979, or a 40% rise in one year.The Housing Bank encourages savings accounts (savings, time deposits, notice accounts) rather than other accounts, a strategy whose success is reflected in the following table.

TABLE III

SAVINGS ACCOUNTS 1974-79

Year	Number of Accounts	Total Savings Deposits (In million JDs)
1974	1342	0.3
1975	3899	1.0
1976	7602	2.9
1977	22220	8.7
1978	36625	18.5
1979	52826	29.1

The rate of increase in savings deposits at the Housing Bank in 1979 was 57.8% , far higher than the rate of increase of savings deposits in the country's 18 combind commercial banks. The following table compares the growth in savings deposits at the Housing Bank with that of the commercial banks since 1974 :

TABLE IV

(In million JDs)

Year	Balance of Savings at Commercial Banks in Jordan	Balance of Savings at the Housing Bank	Percentage of Housing Bank Savings to Commercial Banks'
1974	15.894	0.253	1.6
1975	22.467	0.953	4.2
1976	46.174	2.888	6.3
1977	53.132	8.682	16.3
1978	66.612	18.457	27.7
1979	79.988	29.130	36.4

The total deposits of the Housing Bank have also grown at a faster rate than the deposits of the country's commercial banks' as shown in the following table :

TABLE V

(In million JDs)

Year	Commercial banks deposits	Housing Bank deposits	Housing Bank deposits as % of commercial banks deposits
1974	112	3.1	2.8
1975	158	10.7	6.8
1976	227.2	22.8	10.0
1977	283.8	36.8	13.0
1978	402.5	61.7	15.3
1979	506.9	86.2	17.0

(iii) Other sources of funds :

As a specialised credit institution, the Housing Bank is entitled to borrow from the Central Bank of Jordan, but the Bank has never refuged to such privilege except for borrowing to re-lend the same amounts to the Housing Corporation to help finance the Corporation's housing projects for low-and medium-income citizens.

2. LOANS, SHAREHOLDINGS & REAL ESTATE INVESTMENTS :

The Bank has played a pioneering role in Jordan in the provision of loans to finance the construction and purchase of houses and other buildings, its ability to offer more loans growing parallel with its larger deposits and capital base. The housing sector took the greatest part of the Bank's loans in 1979, as it has been since the Bank started operations in 1974. The following were the major investment and lending outlets for the Bank during 1979 :

(i) Mortgage loans and credit facilities :

Loans for housing mortgages totalled JD 22.7 million in 1979. During the year, the Bank approved loans and credit facilities to building materials companies to enable them increase their output to meet the continuing high demand in the local market. Credits to building materials companies totalled JD 17.6 million in 1979.

a. Volume and number of loans :

The Housing Bank approved 2856 loans worth JD 22.7 million in 1979 to finance 4999 housing units with a total area of 629000 sq. m., as explained further in the following table :

TABLE VI

NUMBER AND VALUE OF LOANS - 1974-1979

Item	1974	1975	1976	1977	1978	1979	Total
Number of approved loans	718	2092	3078	2409	2798	2856	13951
Number of financed units	762	2774	8006	4309	4592	4999	25442
Amount of loans (JD million)	1.8	8.6	33.1	15.4	22.7	22.7	104.3
Area financed (000' sq.m.)	101	392	973	510	554	629	3159

b. Purpose of loans :

In 1979, as the following table indicates, 79.5% of the Bank's loans were used to finance the construction, completion or enlargement of housing units.

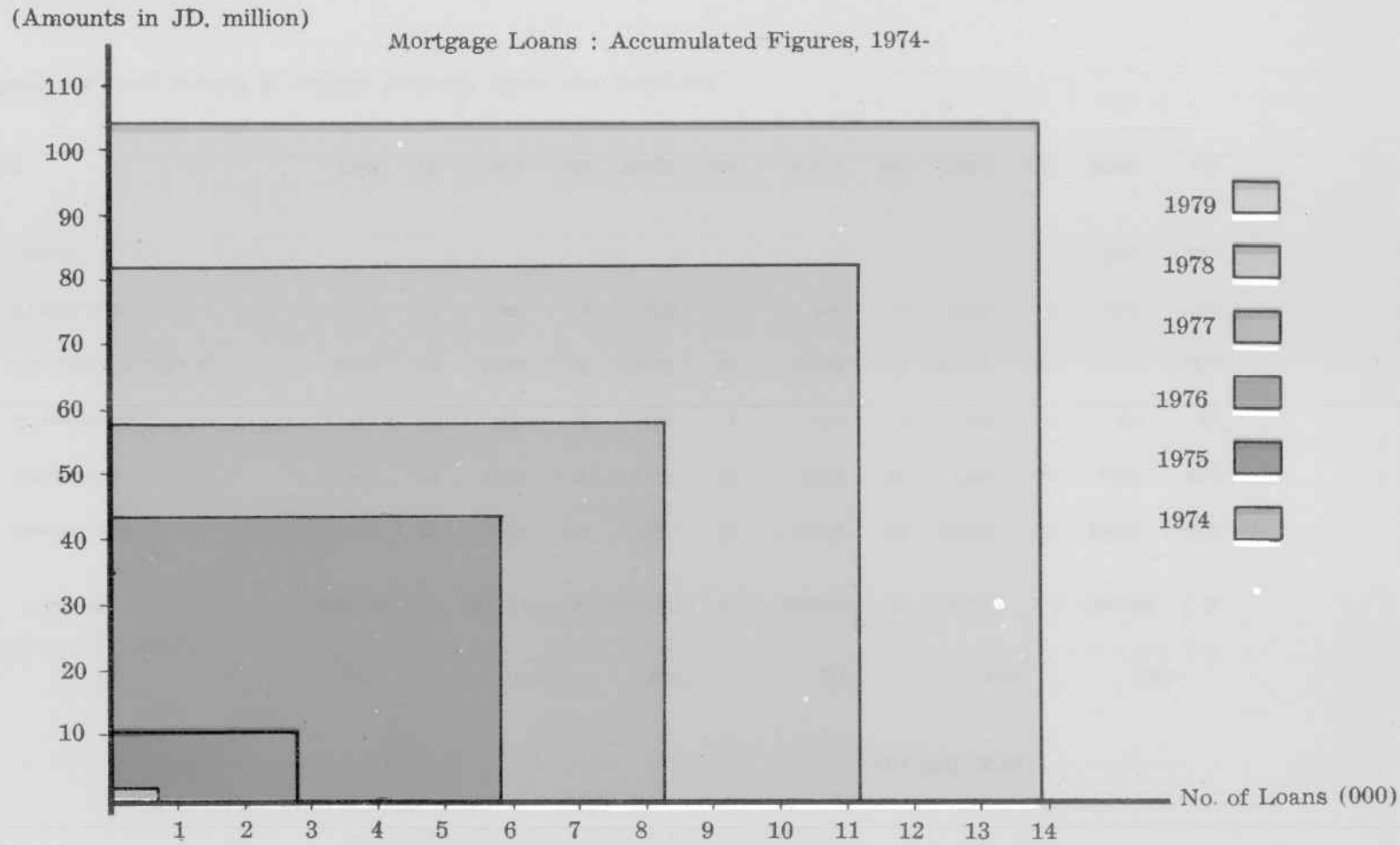

(Amounts in JD. million)
Mortgage Loans : Accumulated Figures, 1974-
110
100
90
80
70
60
50
40
30
20
10
1979
1978
1977
1976
1975
1974
No. of Loans (000)
1
2
3
4
5
6
7
8
9
10
11
12
13
14

TABLE VII

PURPOSE OF LOANS (1974 - 1979)

(In 000' JDs)

Purpose	1974		1975		1976		1977		1978		1979	
	amount	%	amount	%	amount	%	amount	%	amount	%	amount	%
A. Construction	1284	70	6567	76	27406	83	10204	66	12358	55	10952	48.3
B. Completion	440	24	1539	18	4489	13	4363	29	7709	34	6610	29.2
C. Enlargement	41	2	230	3	348	1	375	2	252	1	451	2.0
Sub-total A + B + C	1765	96	8336	97	32243	97	14942	97	20319	90	18013	79.5
D. Purchasing	78	4	242	3	879	3	469	3	2346	10	1806	7.9
E. Others*	—	—	—	—	—	—	—	—	—	—	2862	12.6
Total	1843	100	8578	100	33122	100	15411	100	22665	100	22681	100

* These are loans granted to building materials plants and companies.

c. Kinds of Borrowers :

The following table is a breakdown of the different kinds of borrowers who borrowed from the Bank between 1974 and 1979. It shows that individual borrowers, either directly or via housing societies and co-operatives accounted for 54.2% of the Bank's loans in 1979.

A Housing Scheme for low Income constructed by the Housing Corporation
And Partially Financed by the Housing Bank

TABLE VIII

LOANS CLASSIFIED ACCORDING TO KINDS OF BORROWERS - 1974-1979

(In 000' JDs)

Kind of Borrower	1974		1975		1976		1977		1978		1979	
	amount	%	amount	%	amount	%	amount	%	amount	%	amount	%
A. Individuals	1614	88	5461	64	10632	32	8308	54	10147	45	11566	51
B. Housing Societies	229	12	1055	12	703	2	1604	11	2986	13	683	3
C. Rural Housing	—	—	—	—	—	—	—	—	68	0.3	48	0.2
Subtotal (A + B + C)	1843	100	6516	76	11335	34	9912	65	13201	58.3	12297	54.2
Housing Corporation*	—	—	—	—	7100	21	—	—	1500	6.7	—	—
Commercial Housing	—	—	1677	20	7813	24	3450	22	6704	30	9964	43.9
Government Departments	—	—	385	4	6874	21	2049	13	1260	5	420	1.9
Total	1843	100	8578	100	33122	100	15411	100	22665	100	22681	100

* The Bank granted the Housing Corporation credit facilities of JD. 2 million in 1979.

d. Loan denominations :

The Bank's policy is to provide loans on a priority basis to those people in most need of them for housing purposes. The minimum loan is JD 300. The following table shows loan denominations between 1977 and 1979 :

TABLE IX

LOANS' DENOMINATIONS 1977-1979

Denomination (JD)	1977 amount (000' JDs)	1977 %	1978 amount (000' JDs)	1978 %	1979 amount (000' JDs)	1979 %
300 - 7000	8467	54.9	10126	44.7	11164	49.2
7001 - 10000	469	3	1221	5.4	896	4.0
10001 - 35000	1134	7.4	1789	7.9	2438	10.7
Over 35000	4099	26.6	7199	31.7	5999	26.5
Additional Amounts to Outstanding Loans	1242	8.1	2330	10.3	2184	9.6
Total	15411	100	22665	100	22681	100

e. Credit Facilities to Building Materials Companies :

Such facilities, extended for building materials companies in 1979, totalled JD 17.6 million.

f. Geographic distribution of loans :

The Bank's policy is to try and grant mortgage loans equitably to all regions of the country, proportionate to actual demand. The following table shows the distribution of loans throughout the country since 1974 :

TABLE X

GEOGRAPHIC DISTRIBUTION OF LOANS

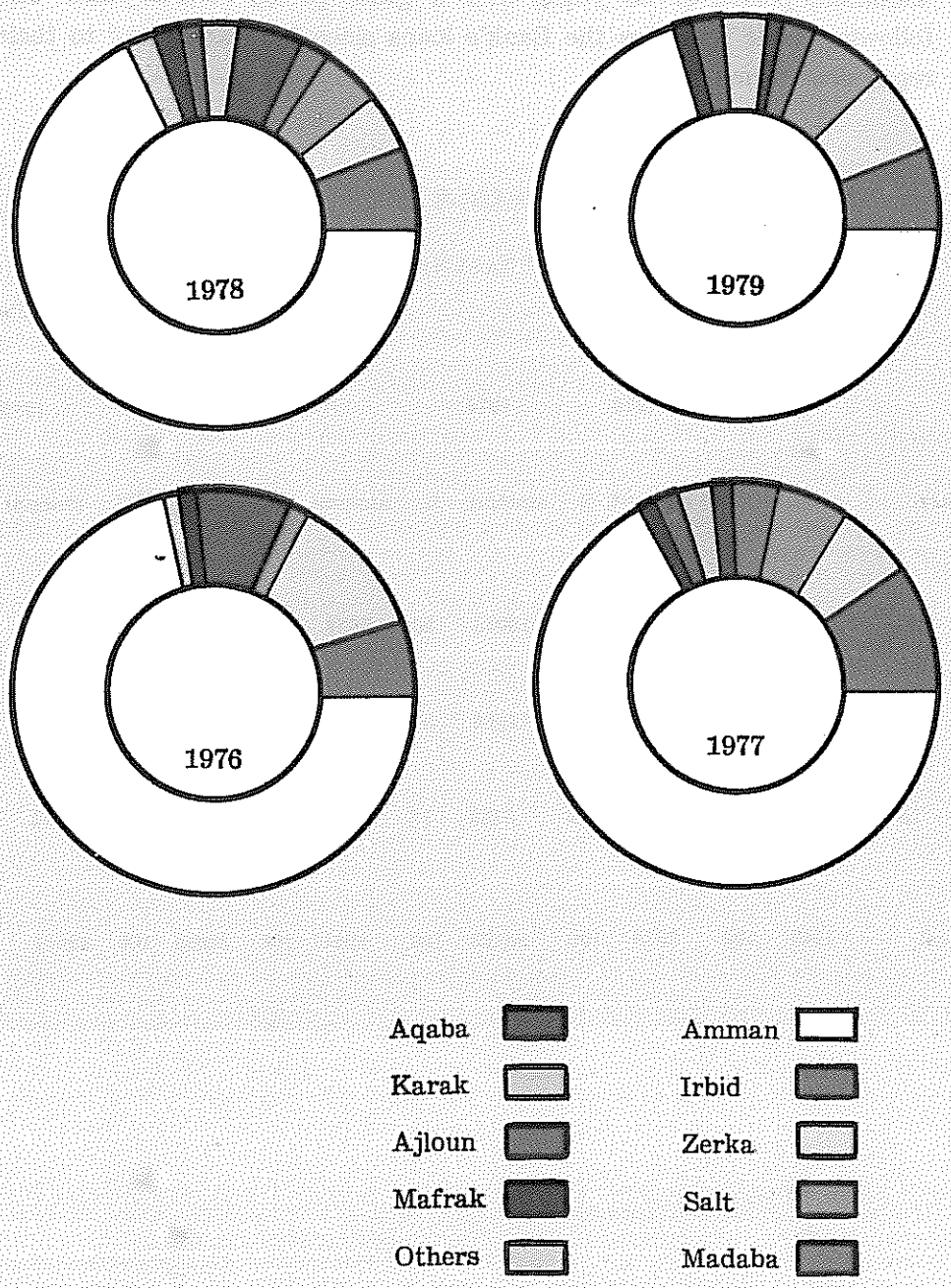
1974 - 1979

(In 000' JDs)

City or town	1974		1975		1976		1977		1978		1979	
	amount	%	amount	%	amount	%	amount	%	amount	%	amount	%
AMMAN	1259	68.3	6453	75.2	23099	69.7	10314	66.9	15323	67.6	15610	68.8
IRBID	155	8.4	666	7.8	1960	5.9	1378	9	1161	5.1	1462	6.4
SALT	134	7.3	181	2.1	257	0.8	399	2.6	605	2.7	831	3.7
KARAK	74	4	128	1.5	53	0.2	214	1.4	371	1.6	451	2.0
ZERKA	80	4.3	596	6.9	3969	12	973	6.3	1046	4.6	1553	6.9
MADABA	43	2.3	162	1.9	235	0.7	539	3.5	545	2.4	562	2.5
FUHAIS					139	0.4	449	2.9	469	2.1	377	1.7
MAFRAK	34	1.9	129	1.5	301	0.9	170	1.1	387	1.7	454	2
TAFILA	24	1.3	27	0.3	5		100	0.7	152	0.7	244	1.1
AJLOUN	14	0.8	55	0.6	118	0.4	121	0.8	201	0.9	266	1.2
JERASH	15	0.8	48	0.6	39	0.1	201	1.3	269	1.2	260	1.1
MA'AN	4	0.2	12	0.1	4		80	0.5	124	0.5	122	0.5
RAMTHA	7	0.4	31	0.4	3	—	157	1	205	0.9	136	0.6
AQABA			90	1.1	2551	7.7	311	2	1207	5.3	302	1.3
JORDAN VALLEY											51	0.2
OTHERS					389	1.2	5		600	2.7		
TOTAL	1843	100	8578	100	33122	100	15411	100	22665	100	22681	100

Geographic Distribution

of Loans



g. Loans terms :

The Bank grants short, medium and long-term loans for a maximum period of 15 years, with a grace period of 1-2 years. The following table classifies the Bank's loans since 1974 according to their repayment terms :

TABLE XI

TERMS OF LOANS (1974 - 1979)

(In 000' JDs)

	1974		1975		1976		1977		1978		1979	
Years	amount	%	amount	%	amount	%	amount	%	amount	%	amount	%
0 - 5	242	13	3101	36	10003	30	5853	38	10758	47	9342	41.2
5 - 10	652	35	2686	31	17966	54	5042	33	8780	39	9876	43.5
10 - 15	949	52	2791	33	5153	16	4516	29	3127	14	3463	15.3
Total	1843	100	8578	100	33122	100	15411	100	22665	100	22681	100

h. Instalment Payments :

Instalment payments due in 1979 totalled JD 14.569 million, while actual collected instalment payments totalled JD 14.566 million. This represents a 99.9% repayment rate, reflecting the efficiency of the Bank's system and measures to monitor loan repayments.

(ii) INVESTMENTS IN SHARES AND REAL ESTATE :

1. SHARES : Since 1974, the Housing Bank has aquired shares in public shareholding corporations worth JD 5.6 million. In 1979 alone, shares worth JD 2.2 million were added to the Bank's portfolio of company shares. The following table gives a breakdown of shares of companies and other institutions held by the Housing Bank :

TABLE XII

HOUSING BANK SHAREHOLDINGS

(In 000' JDs)

Company or Institution	Auth. Capital	Bank shareholding			
		Amou.	%	Amou. unpaid	Premium Paid
Jordan Ceramics Industries Co.	2000	92	4.6	—	14
Jordan Bricks & Tile Manufacturing Co.	500	125	25	—	10
Jordan Holiday Inn Hotels Co.	2400	384	16	—	199
Jordan Lime & Silicate Brick Industries Co.	3000	150	5	—	—
Jordan Pipes Manufacturing Company.	2000	250	12.5	—	38
International Contracting and Investment Co.	4000	230	5.8	115	—
Jordan Timber Proccessing Industries Co.	3000	150	5	75	—
Industrial Development Bank	6000	200	3.33	—	40
Arab - Jordan Investment Bank	5000	200	4	—	—
Cairo-Amman Bank	2500	2.5	0.1	—	0.625
Arab Finance Corporation (Jordan)	2000	47.4	2.4	21.3	—
Jordan Islamic Bank	4000	6.3	0.16	3.2	—
Amman Development Authority	10500	3500	33.3	3250	—
Jordan Securities Corporation	2000	100	5	50	—
Jordan Paper and Cardboard Factories Co.	1500	100	6.7	—	—
Total	50400	5537.2	11	3514.5	301.6

Equity shareholdings acquired in 1979 included :

- **Jordan Securities Corporation** : This company was established in 1979 to deal in all capital and money market financial instruments, such as bonds, loan syndications, certificates of deposit, and negotiable securities. Its authorised capital of JD 2 million is subscribed to by local private and public sector financial institutions, Arab companies and the International Finance Corporation, the affiliate of the World Bank. The Housing Bank's shareholding is JD 100000. The Chairman and Director-General of the Housing Bank was elected Chairman of the Jordan Securities Corporation.

- **Jordan Paper and Cardboard Factories Co.** : This Company was reorganised in 1979 to produce paper, carton boxes and millboard. The Housing Bank holds JD 100000 of the company's authorised capital of JD 1.5 million. Besides these new investments, the Housing Bank in 1979 increased its shareholdings in many other local companies.

2. **Real Estate Investments** : Consruction is moving ahead on schedule on the Bank's Commercial Centre in the Shmeisani district of Amman. Nine out of the 16 stories of the Centre have been completed, with the entire Centre due to be completed in 1981. It has been decided to transform block (B) of the Centre into a five-star hotel of (326) rooms. Negotiations have started to sign a management contract with a qualified international-class hotel group.

The Bank is also planning to build premises for its branches in the southern Jordanian cities of Aqaba and Ma'an.

(iii) OTHER INVESTMENTS :

1. **Treasury Bills** : The Bank's portfolio of Treasury Bills amounted to JD 3.8 million at the end of 1979.

2. **Cement Bonds** : The Jordan Cement Industries Company Ltd floated a bond issue in 1979 to finance an expansion project. The Housing Bank bought JD 650000 worth of these government - guaranteed bonds.

3. **Development Bonds** : The Bank bought JD 408000 of the Government's ten - year Development Bonds in 1979, which are issued and redeemed by the Central Bank of Jordan.

Commercial Centre Project - Section (A)

Commercial Centre Project - Shmeisani - Amman
Under Construction

4. **Discounting Bills** : The Bank maintained its policy of discounting bills used for the sale of houses and apartments paid for by installment, as a means of encouraging Jordanians to buy and sell housing units.

3. OTHER ACTIVITIES :

1. **Staff** : To meet its growing staff requirements in line with its rising volume of deposits, loans and investments, the Housing Bank increased its total staff from 357 in 1978 to 408 in 1979, as outlined by education level in the following table :

TABLE XIII

BANK STAFF - 1974 - 1979

Level of Education	1974	1975	1976	1977	1978	1979
Higher than B.A. or B.Sc.	2	2	3	4	4	3
B.A. or B.Sc.	13	31	56	62	78	87
Junior College	8	17	19	35	27	33
High School	22	37	99	140	182	214
Skilled Workers	4	16	23	47	66	71
Total	49	103	200	288	357	408

2. **New Branches** : The Bank inaugurated four new branches in 1979, three in Amman and one in the Jordan Valley.This brought its total branches to (21) the largest of any Jordanian Bank.

3. **Data Processing** : After two years of studying the matter, the Bank had decided to computerize its operations. Specialised consultants have been asked to make recommendations on the matter, and preparations are being made to install a computerized system in 1980.

4. **Arab and International Relations** :

The continuing success of the Housing Bank has brought forth requests for its assistance in several projects, most noteably :

A. Jordan Urban Project :

In cooperation with the National Planning Council, the Municipality of Amman, the Housing Corporation, the World Bank and specialist British consultants, the Housing Bank has been taking part in discussions on the Jordan Urban Project to build new housing complexes, complete with all infrastructural services, and further to up-grade other sites for low- income groups in high-density areas of the cities of Amman and Zerqa.

B. Oman Bank :

The Deputy General Manager of the Bank was seconded for a year to be General Manager of the Housing Bank of Oman, and upon his return to Amman he will be replaced by the Assistant Deputy General Manager for a further year.

C. Yemen Bank :

A senior employee of the Housing Bank was delegated to the Housing Bank of Yemen for three months to help in that Bank's operations and organisation.

THE HOUSING BANK

BALANCE SHEET DECEMBER 31, 1979

ASSETS	1979 JD	1978 JD	LIABILITIES	1979 JD	1978 JD
Cash in Hand and at Banks	16563075	16556930	Current Accounts	16326191	9743381
Securities (Bills & Bonds) (Note 1)	6197770	4084610	Deposits (Note 7)	69869793	51906229
Mortgage Loans (Note 2)	81323630	61031574	Central Bank's Advances (Note 8)	7180000	8600000
Discounted Bills	156324	129809	Other Credit Balances (Note 9)	2279819	1511883
Other Debit Balances.	369884	250114	Total Liabilities	95655803	71761493
Financial & Real Estate Investments :			**Equity**		
Equity Shareholdings	2324428	1513779	Authorised Capital (Note 10)	18000000	18000000
Commercial Centre Project (Note 5)	3351015	.1996375	Paid-up Capital (Note 10)	12000000	12000000
Fixed Assets (less depreciation) (Note 6)	1385658	1008702	Statutory Reserve	1139733	926891
			Special Reserve (Note 11)	2876248	.1883509
			Total Equity	16015981	14810400
TOTAL ASSETS	111671784	86571893	TOTAL LIABILITIES	111671784	86571893
CONTRA ACOUNTS			**CONTRA ACCOUSTS**		
Borrowers' Commitments for Approved Undisbursed Loans	7334384	6324425	Approved Undisbursed Loans	7334384	6324425
Clients' Commitments for Guarantees	874229	20500	Clients' Guarantees	874229	20500
Clients' Commitments for Documentary Credits	337526	139920	Clients'Documentary Credits	337526	139920
Other Debit Accounts	226770	128429	Other Credit Accounts	226770	128429
TOTAL	8772909	6613274	TOTAL	8772909	6613274

THE HOUSING BANK

PROFIT AND LOSS ACCOUNT

FOR YEAR ENDED DECEMBER 31, 1979

REVENUES :	1979 (JD)	1978 (JD)
Interest Received on Loans	5927464	4094774
Interest Received on Deposits at Banks	1135192	893326
Dividends	290444	32099
Other Revenues	145545	133898
Total Revenues	7498645	5154097
EXPENSES :		
Interest Paid	3797860	2420227
Wages and Salaries	753567	499631
Loan Processing Expenses : (Borrowers' Life Insurance Fund) (Note No. 3)	246026	191727
Depreciation	98997	76494
Amortization of Pre-opening Expenses	40830	24670
General and Administrative Expenses (Note 4)	432939	322745
Total Expenses	5370219	3535494
Net Profit	2128426	1618603
APPROPRIATIONS		
Statutory Reserve	212842	161860
Special Reserve	830092	660214
Provision for Doubtful Debts	162647	122063
Board of Directors Remuneration	8250	7860
Donation to Employees' Housing Society	—	6000
Donation to Employees' Club	10000	—
Donation to Scientific Institutions	30000	30000
Dividends (9%)	874595	630606
TOTAL	2128426	1618603

Notes to the accounts :

Note no. (1) : Bonds and Treasury Bills are as follows :

	Dec. 31,79 JD	Dec. 31, 78 JD
Treasury Bills	3755000	2700000
Government Bonds	408160	—
Jordan Electricity Corporation Bonds	1384610	1384610
Jordan Cement Company Bonds	650000	—
TOTAL	6197770	4084610

Note no. (2) : Mortgage loans are as follows :

Individuals' loans	32131165	25290089
Enterepreneurs' (Developers') Loans	15870797	11856892
Government Departments' Loans	17406569	17532080
Housing Societies' Loans	5364135	3997553
Credit Facilities	10215113	2215137
Other Loans	335851	139823
TOTAL	81323630	61031574

Individuals' and Housing Societies' loans are given for long terms of up to (15) years, while other loans are given for (7) to (10) years.

Note no. (3) : Loan Processing Expenses are as follows :

	Dec. 31, 1979 JD	Dec. 31, 1978 JD
Borrowers' Life Insurance Expenses	245176	190646
Field Inspection Expenses	764	965
Other Expenses	86	116
TOTAL	246026	191727

In 1975 the Bank established the "Borrowers' Life Insurance Fund" to cover individuals' and housing societies' loans in case of death, according to certain terms and conditions.

Note no. (4) : General and Administrative Expenses are as follows :

	Dec. 31, 1979 JD	Dec. 31, 1978 JD
— Stationery	62967	57963
— Rent	29715	21295
— Employees' Retirement Fund	63362	31096
— Savings Accounts' Lottery Expenses	48000	42313
— Donations	46670	29360
— Advertising	4279	15753
— Travel Allowance	20886	11755
— Insurance	10571	9258
— Fuel	21397	16739
— Communications	9051	5923
— Maintenance	11563	11153
— Foreign Exchange Dealing Fees	12000	—
— Other Expenses	92478	70137
TOTAL	432939	322745

Note no. (5) : The Commercial Centre investment consists of the following :

	Dec. 31, 1979 JD	Dec. 31, 1978 JD
Land (cost)	571004	557324
Construction Works	2780011	1439051
TOTAL	3351015	1996375

Note no. (6) : Fixed Assets consist of :

	Dec: 31, 1979 JD	Dec. 31, 1978 JD
Land	233240	88945
Premises in Amman	704454	683638
Premises in Aqaba (Under Construction)	126803	—
Apartments in Aqaba	27858	—
Furniture & Safes	161051	133852
Equipment	293895	201952
Vehicles	65919	35266
Sub Total	1613220	1143653
Less Accumulated Depreciation	227562	134951
TOTAL	1385658	1008702

Note no. (7) : Savings, Notice and Time deposits are as follows :

	Dec. 31, 1979 JD	Dec. 31, 1978 JD
Savings Accounts	29130304	18457293
Notice Accounts	13367687	15861042
Time Accounts	27371802	17587894
TOTAL	69869793	51906229

Note no. (8) : Advances of Central Bank :

The figure represents the advances of the Central Bank to be re-lent to the Housing Corporation. These funds bear an annual interest of (4%).

Note no. (9) : Other Credit Balances are as follows :

	Dec. 31, 1979 JD	Dec. 31, 1978 JD
Dividends (9%)	874595	630606
Board of Directors Remuneration	8250	7860
Provision for Retirement	139902	78931
Undisbursed Loans	95559	52943
Repayable Insurance	573794	273156
Interest Payable	587719	468387
TOTAL	2279819	1511883

Note no. (10) : Share Capital is as follows :

Kind of Shares	Paid-Up Capital No. of Shares	Paid-Up Capital amount JD	Authorised Capital JD
Government Shares	1000000	1000000	1000000
Preferred Shares	5000000	5000000	9000000
Special Shares	6000000	6000000	8000000
TOTAL	12000000	12000000	18000000

Subscribed by	Number of Shares
Kuwaiti Real Estate Investment Consortium.	3000000
Ministry of Finance & Petroleum, Qatar Government.	1000000
Foreign Investment Department, Ministry of Finance, Iran.	1000000
Government of Oman	1000000
TOTAL	6000000

Note no. (11) Special Reserve :

This figure includes JD 111,699 which represents undistributed (retained) profit of the shares of the Government of Oman and Iran, accodring to the agreements signed with them, and includes JD 162,647 which represents provision for doubtful debts (0.2% of disbursed loans), and further includes JD 718, 393 as profit carried forward. Thus the figures can be detailed as follows :

	Dec. 31, 1979 JD	Dec. 31, 1978 JD
Special share's retained profit	1010494	898795
Profit carried forward	1434247	715854
Provision for doubtful debts	431507	268860
TOTAL	2876248	1883509

THE HOUSING BANK BRANCHES

BRANCH	ADDRESS
HEADQUARTERS AND MAIN BRANCH AMMAN	Police College Street-Abdali Tel. 67126 (4Lines) P.O.B. (7693) Telex : 21693 ISKAN JO.
CITY BRANCH AMMAN	King Hussein Street. Tel. 37188, P.O.B. (7882)
EL-WEIBDEH BRANCH AMMAN	Police College Street. Tel. 63798. P.O.B. (7700).
JABAL AMMAN BRANCH AMMAN	Prince Muhammad Street, Tel. 42411-42412, P.O.B. (20565).
WIHDAT BRANCH AMMAN	Madaba Street, Tel. 76120, P.O.B. (160).
JABAL HUSSEIN BRANCH AMMAN	Tel. 22703. P.O.B. (8892).
MARKA BRANCH AMMAN	Tel. 53611. P.O.B. (15237),
JEBAIHA BRANCH JEBAIHA	Tel. 250-1. P.O.B. (73),
ZERKA BRANCH ZERKA	King Faisal Street, Tel. 38106, P.O.B. (480).
IRBID BRANCH IRBID	Prince Nayef Street, Tel. 2175, P.O.B. (403).
FUHAIS BRANCH FUHAIS	Tel. 177, P.O.B. (77).
JARASH BRANCH JARASH	King Abdulla Street, Tel. 269, P.O.B. (5).
AL-SALT BRANCH AL-SALT	Al-Maidan Street, Tel. 4861, P.O.B. (150).
AL-MAFRAK BRANCH AL-MAFRAK	King Faisal Street, Tel. 295, P.O.B. (55).
AJLOUN BRANCH AJLOUN	Ajloun-Amman Street, Tel. 139. P.O.B. (36).
MADABA BRANCH MADABA	King Abdulla Street, Tel. 267, P.O.B. (228).
KARAK BRANCH KARAK	Municipality Bldg. Tel. 56, P.O.B. 66.
AQABA BRANCH AQABA	Central Bank Building, Tel. 3938, P.O.B. (331).
AL-TAFILAH BRANCH AL-TAFILAH	Tel. 260, P.O.B. (34).
MA'AN BRANCH MA'AN	Tel. 218, P.O.B. (102).
DAIR ALLA BRANCH JORDAN VALLEY	Tel. 150. P.O.B. (55),