

# NAREIT Financial Reporting ALERT



NATIONAL ASSOCIATION OF REAL ESTATE INVESTMENT TRUSTS®

## Breaking News: FASB Votes to Defer implementation of FIN 46, but not SFAS 150

At its October 8, 2003 meeting, the Financial Accounting Standards Board (FASB) voted 4 to 3 in favor of deferring FASB Interpretation No. 46, *Consolidation of Variable Interest Entities*, until the end of the first period ending after December 15, 2003 - fourth quarter of 2003 for most NAREIT member companies. The FASB is expected to issue a final FASB Staff Position, which will be effective as of the date of issuance, later this week. Please check the FASB website for further updates at <http://www.fasb.org/>.

The FASB also voted 4 to 3 in favor of not deferring the effective date of any provisions of Statement of Financial Accounting Standard No. 150, *Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity*, (SFAS 150). Therefore, the provision of SFAS 150 requiring that certain minority interests be reported as liabilities and measured at fair value remains effective for the third quarter of 2003.

Any questions regarding this matter should be directed to

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