



SMALL BANK

Comptroller of the Currency
Administrator of National Banks
Washington, DC 20219

PUBLIC DISCLOSURE

November 15, 2006

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Dakota Community Bank, National Association
Charter Number 24604**

**609 Main Street
Hebron, ND 58638**

**Comptroller of the Currency
North Dakota & NW Minnesota
3211 Fiechtner Drive, SW
Fargo, ND 58103**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

INSTITUTION'S CRA RATING: OUTSTANDING

An institution in this group has an Outstanding record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

- A substantial majority of the sampled loans were extended to borrowers located within the assessment areas.
- A sample of loans indicates lending to farms and businesses of various revenue levels shows excellent distribution of loans to borrowers of different sizes.
- The geographic distribution of residential real estate loans and consumer installment loans exceeds the standards for satisfactory performance. A sample of loans indicates lending to individuals of different income levels is more than reasonable.
- The institution's average net loan-to-deposit ratio in excess of 90% indicates a strong responsiveness to community credit needs in relation to local economic factors and comparisons to area lenders.
- Two community contacts indicated that the bank is a leading participant in programs designed to meet housing and development needs in the bank's assessment areas.

DESCRIPTION OF INSTITUTION

The subject bank is owned by Dakota Community Bانشares, Inc., Hebron, North Dakota, a one bank holding company. Dakota Community Bank (DCB) is a full-service commercial bank, with its main office located at 609 Main Street, Hebron, North Dakota. In addition to the main office, the bank has ten full service branches located in Bismarck, Mandan, Lincoln, New Leipzig, Glen Ullin, Dickinson, Taylor, and Bowman, all in North Dakota. The bank also owns and operates twenty cash dispensing automated teller machines located in communities within the bank's assessment areas.

The September 30, 2006 Report of Condition reflects total assets of \$262,322,000, total loans of \$214,924,000, and total deposits of \$233,490,000. The institution offers a broad range of loan products that are well suited to the credit needs of the local area. In addition, the bank participates in government guaranteed or subsidized loan programs including those offered by the Federal Housing Administration (FHA), Veterans Administration (VA), North Dakota Housing Finance Agency (NDHFA), and United States Department of Agriculture (USDA) Rural Development. In addition, the bank offers various business and farm loan programs provided through the Bank of North Dakota, Farm Services Administration (FSA), and Small Business Administration (SBA).

The period of time addressed in this evaluation is July 1, 2005 to November 14, 2006. At the most recent CRA Performance Evaluation conducted by the Federal Deposit Insurance Corporation dated September 20, 1999, DCB was rated Outstanding. As shown by Table 1, the

institution’s primary loan products by number of loan originations are farm real estate and production (28%) and installment loans to consumers (36%). Primary loan products by dollar volume are loans to businesses (37%) and loans to finance residential real estate (29%). The bank’s business strategy is to establish branch offices in locations that appear to be underserved by existing financial institutions while offering banking products that meet customer needs. According to members of the community contacted in conjunction with this evaluation, the lending emphasis is consistent with the credit needs of the communities being served. The markets served by DCB are highly competitive in providing financial services and include numerous banks, credit unions, and loan companies. Aside from statutory lending limits, the bank does not have any legal impediments that restrict its ability to meet the credit needs of the assessment area.

Table 1: Loan Products	#	%	\$ (000)	%
Farm Loans	1,668	28	93,141	28
Business Loans	1,221	21	124,858	37
Consumer Loans	2,118	36	21,312	6
Residential Real Estate Loans	908	15	99,311	29
Total	5,915	100	338,622	100

Loans originated during the evaluation period (July 1, 2005 – November 14, 2006)

DESCRIPTION OF ASSESSMENT AREAS

DCB has designated two assessment areas (AA). One AA consists of the Bismarck-Mandan area and the other consists of rural areas in North Dakota.

Bismarck-Mandan Assessment Area

Twenty one census tracts (CT) located in Burleigh and Morton Counties comprise the Bismarck-Mandan AA. Burleigh and Morton Counties are part of the Bismarck, North Dakota Metropolitan Statistical Area (MSA), and are located in south central North Dakota.

The AA includes CTs 101 through 115 in Burleigh County and CTs 201 through 205 in Morton County. The AA does not include any geographies designated as low income. CTs 108, 115, 203, and 205 are the only moderate-income geographies. Of the remaining geographies, 15 are considered middle income (CTs 101 through 107, 109, 110, 111.01, 113, 114, 201, 202, and 204), and two have been designated as upper income (CTs 111.02 and 112). DCB branch offices are located in CT 103, 107, 113, and 203. There are several financial institutions located in this AA. According to the 2000 U.S. Census, the population of the Bismarck-Mandan AA was 94,719 people living in 37,620 households.

Management stated that the overall economy for the Bismarck-Mandan AA is stable although the retail sector is growing with several national and regional firms opening new stores recently. The AA has numerous employment opportunities, with Bismarck, North Dakota as the state capitol. According to City-Data.com, in 2004 the largest employers in the Bismarck-Mandan

area are the State of North Dakota (4,309 employees), Medcenter One Health Systems (2,250 employees), St. Alexius Medical Center (1,900 employees), Bismarck Public School District (1,506 employees), and the federal government (1,198 employees). Information from the Bureau of Labor Statistics for September 2006 lists an unemployment rate of 1.9 percent for the Bismarck, ND Metropolitan Statistical Area. The comparable figure for North Dakota was 3.1 percent.

TABLE 2: DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF THE BISMARCK-MANDAN AA	
<i>Population</i>	
Number of Families	25,265
Number of Households	37,620
Number of Low-Income Families	4,391
% of Low-Income Families	17.4
Number of Moderate-Income Families	4,684
% of Moderate-Income Families	18.5
Number of Middle-Income Families	6,889
% of Middle-Income Families	27.3
Number of Upper-Income Families	9,301
% of Upper-Income Families	36.8
<i>Geographies</i>	
Number of Census Tracts/BNA	21
% Low-Income Census Tracts/BNA	0
% Moderate-Income Census Tracts/BNA	19
% Middle-Income Census Tracts/BNA	71
% Upper-Income Census Tracts/BNA	10
<i>Median Family Income (MFI)</i>	
2000 MFI for AA	50,758
2003 HUD-Adjusted MFI	65,400
<i>Economic Indicators</i>	
2006 Unemployment Rate	1.9
2006 Median Housing Value	83,418
% of Households Below Poverty Level	10

Table is based on 2000 census information with updated information when available.

Rural North Dakota Assessment Area

The Non-MSA assessment area consists of twenty contiguous CTs located in the southwestern quarter of North Dakota and one adjacent CT in the northwest corner of South Dakota. For the purposes of this Performance Evaluation the CT in South Dakota is considered part of the North Dakota AA. The AA consists of the entire counties of Grant, Adams, Bowman, Slope, Hettinger, Stark, Billings, and Dunn in North Dakota and Harding County in South Dakota.

Western Mercer County of North Dakota is also included in the AA. The assessment area does not contain any low income geographies. Four geographies are considered moderate income. Of the remaining geographies, sixteen are considered middle income and one is considered upper income. There are several financial institutions located in and adjacent to this assessment area.

For the AA, in the year 2000 the U.S. Census Bureau estimated the population at 41,751 living in 16,812 households. The largest community in the AA is Dickinson, North Dakota with a population of 15,686 according to the 2004 U.S. Census Bureau estimate. Our community contact indicated that the overall population in the area is holding steady; however, people continue to leave rural areas in favor of regional population centers. Due to the predominately rural nature of the AA, the local economy is highly dependent upon agriculture.

TABLE 3: DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF THE RURAL NORTH DAKOTA AA	
<i>Population</i>	
Number of Families	11,281
Number of Households	16,812
Number of Low-Income Families	2,298
% of Low-Income Families	20.4
Number of Moderate-Income Families	2,125
% of Moderate-Income Families	18.8
Number of Middle-Income Families	2,773
% of Middle-Income Families	24.6
Number of Upper-Income Families	4,085
% of Upper-Income Families	36.2
<i>Geographies</i>	
Number of Census Tracts/BNA	21
% Low-Income Census Tracts/BNA	0
% Moderate-Income Census Tracts/BNA	14
% Middle-Income Census Tracts/BNA	81
% Upper-Income Census Tracts/BNA	5
<i>Median Family Income (MFI)</i>	
2000 MFI for AA	38,013
2003 HUD-Adjusted MFI	48,979
<i>Economic Indicators</i>	
2006 Unemployment Rate	2.8
2006 Median Housing Value	54,104
% of Households Below Poverty Level	15

Table is based on 2000 census information with updated information when available.

CONCLUSIONS ABOUT PERFORMANCE CRITERIA

Loan-to-Deposit Ratio

DCB's loan-to-deposit ratio is considered to be strong given the bank's financial condition and size, assessment area credit needs, local economic factors, and comparisons with similarly situated lenders.

DCB's average net loan-to-deposit ratio measured quarterly from September 30, 2005 to September 30, 2006 was 90 percent. The September 30, 2006 Report of Condition reported a 21 percent increase in total loans, a 14 percent increase in total deposits, and a 15 percent increase in total assets from September 30, 2005.

Table 4 below lists the average net loan-to-deposit ratios from September 30, 2005 to September 30, 2006 for similar banks located within DCB's AA.

Table 4: LOAN TO DEPOSIT RATIO	Assets in thousands (as of September 30, 2006)	Average LTD Ratio
Institution		
Security First Bank of North Dakota New Salem, North Dakota	\$ 92,491	97.72%
Dakota Community Bank, N.A. Hebron, North Dakota	262,322	90.42%
Bank of Glen Ullin Glen Ullin, North Dakota	31,797	89.58%
Starion Financial Bismarck, North Dakota	501,828	88.82%
Commercial Bank of Mott Mott, North Dakota	47,903	88.72%
The Dakota Western Bank Bowman, North Dakota	128,336	85.63%
American Bank Center First Bismarck, North Dakota	258,983	85.14%
Great Plains National Bank Belfield, North Dakota	69,193	85.05%

Source: Uniform Bank Performance Reports December 31, 2005 to September 30, 2006

Lending in Assessment Area

Dakota Community Bank exceeds the standards for satisfactory performance for lending within its AA. A substantial majority of loans are originated within the AA. The percentage of farm, business, residential real estate, and consumer loans reviewed that were originated within the AA was 94% by number and 96% by volume. The following table illustrates lending activity within the AA during the evaluation period.

Table 5: Lending in Dakota Community Bank's Assessment Area										
Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Business	20	100	0	0	20	1,013,576	100	0	0	1,013,576
Farm (including RE)	17	85	3	15	20	764,285	95	42,898	5	807,183
Residential Real Estate	19	95	1	5	20	1,521,210	95	73,000	5	1,594,210
Consumer	19	95	1	5	20	232,456	91	21,960	9	254,416
Totals	75	94	5	6	80	3,531,527	96	137,858	4	3,669,385

Source: Loan sample

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

Lending to businesses and farms of different sizes and borrowers of different incomes exceeds the standards for satisfactory performance and is more than reasonable when compared to the demographics of both of the bank's AAs.

Bismarck-Mandan MSA Assessment Area

Lending to businesses and farms of different sizes and consumers of different incomes in the Bismarck-Mandan MSA AA exceeds the standards for satisfactory performance. Lending to small businesses and farms and low- and moderate-income borrowers is more than reasonable given the demographics of the AA.

Business Loans

Dakota Community Bank's lending to small businesses exceeds the standards for satisfactory performance. Lending to businesses with revenue under \$1 million exceeds the demographics of the AA by both number and dollar volume. Table 6 depicts the bank's lending to businesses of different sizes.

Table 6: Borrower Distribution of Loans to Businesses in Bismarck-Mandan MSA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	60.8%	5.1%	34.1%	100%
% of Bank Loans in AA by #	85.0%	15.0%	0.0%	100%
% of Bank Loans in AA by \$	63.0%	37.0%	0.0%	100%

Source: Loan sample; 2000 U.S. Census Data

Farm Loans

Dakota Community Bank’s lending to farms of different sizes in the Bismarck-Mandan MSA AA exceeds the standards of satisfactory performance. Lending to farms with revenues under \$1 million exceeds the demographics of the AA. The following table portrays the bank’s lending to farms of different sizes.

Table 6a: Borrower Distribution of Loans to Farms in Bismarck-Mandan MSA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	97.3%	1.1%	1.6%	100%
% of Bank Loans in AA by #	100.0%	0.0%	0.0%	100%
% of Bank Loans in AA by \$	100.0%	0.0%	0.0%	100%

Source: Loan sample; 2000 U.S. Census Data

Residential Real Estate Loans

Residential real estate lending to low- and moderate-income borrowers in the Bismarck-Mandan MSA AA is more than reasonable given the demographics of the AA. The percentage number of loans to both low- and moderate-income borrowers greatly exceeds the standards for satisfactory performance. The following table shows the bank’s lending pattern for residential real estate loans in comparison to the demographics of the AA.

Table 6b: Borrower Distribution of Residential Real Estate Loans in Bismarck-Mandan MSA								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Residential Real Estate Loans	17.4%	25.0%	18.5%	35.0%	27.3%	25.0%	36.8%	15.0%

Source: Loan sample; 2000 U.S. Census Data

Consumer Loans

Consumer lending to low- and moderate-income borrowers in the Bismarck-Mandan MSA AA exceeds the standards of satisfactory performance. The percentage number of loans to both low- and moderate-income borrowers significantly exceeds the demographics of the AA. Table 6c compares the bank’s consumer lending pattern to the AA demographic data.

Table 6c: Borrower Distribution of Consumer Loans in Bismarck-Mandan MSA								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans
Consumer Loans	22.3%	50.0%	17.2%	35.0%	20.2%	5.0%	40.2%	10.0%

Source: Loan Sample; 2000 U.S. Census Data

Dakota Non-MSA Assessment Area

Lending to businesses and farms of different sizes and consumers of different incomes in the Dakota Non-MSA AA exceeds the standards for satisfactory performance. Overall, lending to small businesses and farms and low- and moderate-income borrowers is more than reasonable given the demographics of the AA.

Business Loans

Dakota Community Bank's lending to small businesses exceeds the standards for satisfactory performance. Lending to businesses with revenue under \$1 million exceeds the demographics of the AA by both number and dollar volume. The following table depicts the bank's lending to businesses of different sizes.

Table 7: Borrower Distribution of Loans to Businesses/Farms in Dakota Non-MSA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	57.7%	4.2%	38.1%	100%
% of Bank Loans in AA by #	80.0%	20.0%	0.0%	100%
% of Bank Loans in AA by \$	65.8%	34.2%	0.0%	100%

Source: Loan sample; 2000 U.S. Census Data

Farm Loans

Dakota Community Bank's lending to farms of different sizes in the Dakota Non-MSA meets the standards for satisfactory performance. Lending to farms with revenues under \$1 million reasonably meets the demographics of the AA. Table 7a portrays the bank's lending to farms of different sizes.

Table 7a: Borrower Distribution of Loans to Farms in Dakota Non-MSA				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Businesses	98.3%	1.4%	0.3%	100%
% of Bank Loans in AA by #	95.0%	5.0%	0.0%	100%
% of Bank Loans in AA by \$	98.1%	1.9%	0.0%	100%

Source: Loan sample; 2000 U.S. Census Data

Residential Real Estate Loans

Residential real estate lending to low- and moderate-income borrowers in the Dakota Non-MSA AA meets the standards for satisfactory performance. The percentage number of loans to low-income borrowers significantly exceeds the demographics of the AA, while the percentage number of loans to moderate-income borrowers is slightly below the AA demographics. However, the combined lending to low- and moderate-income borrowers for residential real estate loans is more than reasonable. The following table shows the bank’s lending pattern for residential real estate loans in comparison to the AA demographics.

Table 7b: Borrower Distribution of Residential Real Estate Loans in Dakota Non-MSA								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Residential Real Estate Loans	20.4%	35.0%	18.8%	10.0%	24.6%	30.0%	36.2%	25.0%

Source: Loan sample; 2000 U.S. Census Data

Consumer Loans

Consumer lending to low- and moderate-income borrowers in the Dakota Non-MSA AA exceeds the standards for satisfactory performance. The percentage number of loans to moderate-income borrowers greatly exceeds the demographics of the AA. The percentage number of loans to low-income borrowers meets the demographics of the AA. In addition, over 14% of the households in the AA are below the poverty level, leaving only approximately 10% of low-income borrowers available for loan qualification. Given this context, the bank’s lending to low-income borrowers significantly exceeds the demographics of the AA. The following table displays the bank’s consumer lending pattern to the AA demographic data.

Table 7c: Borrower Distribution of Consumer Loans in Dakota Non-MSA								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans
Consumer Loans	25.5%	25%	16.1%	35%	19.9%	20%	38.5%	20%

Source: Loan Sample; 2000 U.S. Census Data

Geographic Distribution of Loans

The geographic distribution of business, farm, residential real estate, and consumer loans exceeds the standards for satisfactory performance. There are no low-income tracts in the bank’s two AAs. The analysis reflects lending in all tracts.

Bismarck-Mandan MSA Assessment Area

The geographic distribution of loans in the Bismarck-Mandan MSA AA is more than reasonable given the demographics of the AA. Lending in the moderate-income tracts exceeds the standards for satisfactory performance for all loan types. The Bismarck-Mandan MSA AA does not have any low-income census tracts.

Business Loans

The geographic distribution of business loans in the Bismarck-Mandan MSA AA exceeds the standards for satisfactory performance. Lending to businesses in moderate-income tracts exceeds that of the AA demographic data. The table below depicts lending to businesses in the different income tracts within the AA.

Table 8: Geographic Distribution of Loans to Businesses in Bismarck-Mandan MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Business Loans	0.0%	0.0%	22.1%	35.0%	69.7%	60.0%	8.2%	5.0%

Source: Loan Sample; 2000 U.S. Census Data

Farm Loans

The geographic distribution of farm loans in the Bismarck-Mandan MSA is more than reasonable as the bank's performance in moderate-income tracts exceeds the demographics of the AA. The following table displays the bank's farm lending pattern to the AA demographic data.

Table 8a: Geographic Distribution of Loans to Farms in Bismarck-Mandan MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans
Farm Loans	0.0%	0.0%	39.7%	45.0%	55.0%	55.0%	5.3%	0.0%

Source: Loan Sample; 2000 U.S. Census Data

Residential Real Estate Loans

The geographic distribution of residential real estate loans exceeds the standards for satisfactory performance. Table 8b shows the bank's record of lending for residential real estate loans compared to demographic data.

Table 8b: Geographic Distribution of Residential Real Estate Loans in Bismarck-Mandan MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Residential Real Estate Loans	0.0%	0.0%	19.6%	25.0%	69.1%	70.0%	11.3%	5.0%

Source: Loan Sample; 2000 U.S. Census Data

Consumer Loans

The bank's geographic distribution of consumer loans is more than reasonable in relation to the demographic data and significantly exceeds the standards for satisfactory performance. The following table depicts lending patterns for consumer loans in comparison to demographic data.

Table 8c: Geographic Distribution of Consumer Loans in Bismarck-Mandan MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans
Consumer Loans	0.0%	0.0	17.1%	40.0%	72.7%	55.0%	10.2%	5.0%

Source: Loan Sample; 2000 U.S. Census Data

Dakota Non-MSA Assessment Area

The geographic distribution of loans in the Dakota Non-MSA AA is reasonable given the demographics of the AA. Lending in the moderate-income tracts either meets or exceeds the standards for satisfactory performance for all loan types. There are no unexplained areas of low penetration in low- and moderate-income tracts. The Dakota Non-MSA AA does not have any low-income census tracts.

Business Loans

The geographic distribution of business loans in the Dakota Non-MSA AA reasonably meets the standards for satisfactory performance. While performance appears to be less than satisfactory given the results of our sample, there are mitigating factors. Moderate-income tracts in this AA are sparsely populated with few opportunities for business lending. Two of the four moderate-income tracts in the AA contain only two incorporated communities with populations totaling 417 and 158 respectively. One of the remaining tracts has a competing bank nearby while the other moderate-income tract contains no incorporated communities. Table 9 depicts lending to businesses in the different income tracts within the AA.

Table 9: Geographic Distribution of Loans to Businesses in Dakota Non-MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Business Loans	0.0%	0.0%	5.0%	0.0%	88.7%	85.0%	6.3%	15.0%

Source: Loan Sample; 2000 U.S. Census Data

Farm Loans

The geographic distribution of farm loans in the Dakota Non-MSA AA is more than reasonable as the bank's performance greatly exceeds the demographics of the AA. The following table displays the bank's farm lending pattern to the AA demographic data.

Table 9a: Geographic Distribution of Loans to Farms in Dakota Non-MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans	% of AA Farms	% of Number of Loans
Farm Loans	0.0%	0.0%	9.2%	20.0%	89.9%	80.0%	.9%	0.0%

Source: Loan Sample; 2000 U.S. Census Data

Residential Real Estate Loans

The geographic distribution of residential real estate loans meets the standards for satisfactory performance and is reasonable given the demographics of the AA. The table below shows the bank's record of lending for residential real estate loans compared to demographic data. Refer to mitigating factors regarding the demographics of moderate-income tracts in the AA under the Business Loans heading above.

Table 9b: Geographic Distribution of Residential Real Estate Loans in Dakota Non-MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Residential Real Estate Loans	0.0%	0.0%	7.1%	0.0%	86.6%	100.0%	6.3%	0.0%

Source: Loan Sample; 2000 U.S. Census Data

Consumer Loans

The bank's geographic distribution of consumer loans is reasonable in relation to the demographic data and meets the standards for satisfactory performance. The bank's performance closely approximates the demographic data of the AA. The following table depicts lending patterns for consumer loans in comparison to demographic data.

Table 9c: Geographic Distribution of Consumer Loans in Dakota Non-MSA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans
Consumer Loans	0.0%	0.0%	6.8%	5.0%	87.4%	90.0%	5.8%	5.0%

Source: Loan Sample; 2000 U.S. Census Data

Responses to Complaints

The institution has received no CRA related complaints during the assessment period.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.