

RAPID CITY COMMUNITY DEVELOPMENT CORPORATION
Rapid City, South Dakota

State Member Banks: AMERICAN STATE BANK
PIONEER BANK
Rapid City, South Dakota

Investment Date: September 1995

Initial Capitalization: \$200,000 (with capital commitments until total is \$360,000)

Description: The Rapid City Community Development Corporation (RCCDC) is the culmination of the efforts of five local banks to establish a nonprofit entity to stimulate the construction of homes for low-income residents in Rapid City. The RCCDC is governed by a board consisting of representatives of the investor banks, a local nonprofit housing organization, a small business owner, the municipal government, and the public housing authority. Other investors located in Rapid City include US Bank, N.A., Norwest Bank, Rushmore Bank and Trust, and Greentree Financial Services.

The RCCDC will make loans and investments in the form of equity or debt to small, emerging, and minority-owned businesses that will develop, construct, or rehabilitate low- and moderate-income housing in the Rapid City area. This resource is available to emerging entrepreneurs seeking financing to begin a business of housing development and to existing affordable housing builders. The CDC's first major effort is to work with established organizations to provide home ownership opportunities for low-income residents. Through 2001, the RCDC has provided 20 short-term construction loans (usually of 120 days or less) for affordable housing.

The participating banks plan to invest capital in the CDC on a voluntary basis until the program is capitalized at approximately \$360,000. Permanent financing for the buyers of single family homes will be provided by existing mortgage products that are available at the participating banks.

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Chair RCCDC
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DAKOTA VENTURES, INCORPORATED
Rapid City, South Dakota

State Member Banks: STATE BANK OF ALCESTER
Alcester, South Dakota
MERCHANTS STATE BANK
Freeman, South Dakota
FARMERS & MERCHANTS BANK
Huron, South Dakota
COMMERCIAL TRUST & SAVINGS
Mitchell, South Dakota
AMERICAN STATE BANK
Rapid City, South Dakota

Investment Date: December 1993

Initial Capitalization: \$1,350,000

Description: Dakota Ventures, Inc. (DVI), committed to creating jobs and developing industry in South Dakota, organized a statewide, multi-bank community development corporation to help new businesses obtain equity capital. DVI will invest only in communities served by participating financial institutions, concentrating its investments in South Dakota companies with products or services intended primarily for out-of-state consumption.

There are 17 bank investors that benefit by taking advantage of a state tax credit which effectively reduces each bank's net capital contribution.

DVI currently has two active investments: (1) Lakota Waters, Inc., headquartered in Rapid City, a bottled water manufacturing plant in Huron, and (2) VisualMetrics Corporation, a software development and consulting firm specializing in data warehousing located in Vermillion. Two other investments have been written off.

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UNITED COMMUNITY BANKERS DEVELOPMENT CORPORATION
Bloomington, Minnesota

State Member Banks: UNITED BANKERS' BANK
Bloomington, Minnesota
CLINTON STATE BANK
Clinton, Minnesota
GRAND RAPIDS STATE BANK
Grand Rapids, Minnesota

Investment Date: August 1997

Initial Capitalization: \$488,500

Description: United Community Bankers Development Corporation (UCBDC) was created to assist individuals displaced by severe flooding in the Minnesota and Red River Valleys in 1997. UCBDC is managed by United Bankers' Bank (UBB) and has 41 investor bank members in Minnesota.

At the request of state officials, UBB established an organization to raise funds to provide closing cost assistance for individuals displaced by flooding. The closing cost assistance was part of a coordinated buy-out program that included state funding. A Federal Home Loan Bank grant provided significant funding for UCBDC. To date, UCBDC has provided closing cost assistance to 193 households affected by the 1997 flooding.

UCBDC was created to assist in flood relief efforts, but may be used in the future to assist other communities experiencing hardships or disasters.

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SIOUX FALLS COMMUNITY DEVELOPMENT CORPORATION
Sioux Falls, South Dakota

State Member Banks: BANKFIRST
FIRST PREMIER BANK
Sioux Falls, South Dakota

Investment Date: April 1998

Initial Capitalization: \$500,000

Description: The Sioux Falls CDC (a for profit corporation) was formed and funded to build a day care facility for Interlakes Community Action Program (ICAP) to house the Early Head Start Day Care Program and provide office space for the non-profit ICAP. ICAP also assists the homeless and aids low-income households through a weatherization program.

Other investors in the Sioux Falls area include Dial Bank, Retailers National Bank, Hurley State Bank, Axxis National Bank, and United Credit National Bank. Participating banks plan to invest in future projects which assist low- and moderate-income people in the area. This could include development of buildings and related endeavors.

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