

BANK OF NORTH DAKOTA



Rebuilders loan program - Section 1 of 2011 Senate Bill No. 2371 establishes a rebuilders loan program and loan fund at the Bank. The program is to provide loans to North Dakota residents affected by a presidentially declared disaster in the state in an area eligible for Federal Emergency Management Agency individual assistance for the purpose of the resident rebuilding the resident's flood-damaged home or purchasing a new home in the disaster-impacted community. Individual assistance designated counties include Barnes, Benson, Burleigh, McHenry, Morton, Ramsey, Renville, Richland, and Ward.

Section 7 of Senate Bill No. 2371 provides for a transfer of \$30 million from the current and undivided profits of the Bank to the rebuilders loan program fund. Section 8 of Senate Bill No. 2371 provides for a contingent transfer of \$20 million from the general fund to the rebuilders loan program fund if the \$30 million transferred to the rebuilders loan program fund from the Bank is fully obligated prior to June 30, 2013.

Section 9 of Senate Bill No. 2371 appropriates \$10 million from the state disaster relief fund to the Adjutant General for providing:

1. Additional rebuilders loan program funding to the Bank.
2. Funding to political subdivisions for flood-impacted housing rehabilitation. Funding must be used as deemed most effective in that community to assist homeowners in rehabilitation or replacement of their flood-damaged homes and to retain homeowners in the community.

As of March 2012, 540 loans totaling \$15,947,259 have been closed, 289 additional loans totaling \$8,146,210 have been approved but not closed, and 64 loans totaling \$1,920,000 are being processed. The Bank anticipates using both the initial \$30 million transfer of Bank profits and the contingent \$20 million transfer from the general fund.

Of the 829 approved loans, 95 percent are for residents in the Minot area, 4 percent are for residents in the Bismarck area, and 1 percent is for residents in the Mandan area.

Twenty-one loan requests have been denied for various reasons, including no damage, no ownership in damaged property, or property is covered by flood insurance.