CAPITAL PURCHASE PROGRAM (CPP) LENDING REPORT

Name of institution: BNCCORP, Inc. (BNC National Bank)
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RSSD (for Bank Holding Companies): 1248162
Holding Company Docket Number (for Thrift Holding Companies):
FDIC Certificate Number (for depository institutions): 57197

LENDING ACTIVITY (Thousands $)	2009 FEB	2009 MAR	Key	Comments
1. Loan Balances				
a. Average Consumer Loans	$92,281	$93,708		**Mortgage banking is very robust, orginations were much higher in March. Balances outstanding have not increased in a corresponding fashion because we have added staff who permit us to sell into the secondary market much quicker than earlier in year.**
b. Average Commercial Loans	$515,818	$507,274		**Decline is primarily related to loans transferred to OREO and charge-off of uncollectable amount. Amounts transferred and charged-off exceed $5,000,000.**
c. Total Loans (sum of lines a and b)	$608,099	$600,982		

2. General Market Commentary (optional)

Economic conditions are extra-ordinarily harsh. Borrowers, particlularly in the Phoenix market, are under duress. Collateral values are declining.