

ANNUAL STATEMENT

OF THE

Dakota Homestead Title Insurance Company

Of

Sioux Falls

in the state of SD

to the Insurance Department

of the State of

For the Year Ended

December 31, 2007

2007



ANNUAL STATEMENT

For the Year Ended December 31, 2007
of the Condition and Affairs of the

Dakota Homestead Title Insurance Company

NAIC Group Code..... , (Current Period) (Prior Period)	NAIC Company Code..... 50020	Employer's ID Number..... 46-0423719
Organized under the Laws of South Dakota Incorporated/Organized..... March 1, 1993	State of Domicile or Port of Entry South Dakota Commenced Business..... January 1, 1994	Country of Domicile US
Statutory Home Office	315 S. Phillips Avenue..... Sioux Falls SD 57104 <i>(Street and Number) (City or Town, State and Zip Code)</i>	
Main Administrative Office	315 S. Phillips Avenue..... Sioux Falls SD 57104 <i>(Street and Number) (City or Town, State and Zip Code)</i>	605-336-0388 <i>(Area Code) (Telephone Number)</i>
Mail Address	315 S. Phillips Avenue..... Sioux Falls SD 57104 <i>(Street and Number or P. O. Box) (City or Town, State and Zip Code)</i>	
Primary Location of Books and Records	315 S. Phillips Avenue..... Sioux Falls SD 57104 <i>(Street and Number) (City or Town, State and Zip Code)</i>	605-336-0388 <i>(Area Code) (Telephone Number)</i>
Internet Website Address	www.dakotahomestead.com	
Statutory Statement Contact	Stephanie L. Page <i>(Name)</i> slpage@dakotahomestead.com <i>(E-Mail Address)</i>	605-336-0388 <i>(Area Code) (Telephone Number) (Extension)</i> 605-336-5649 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. Chad L. Hansen	President	2. Todd V. Meierhenry	Secretary
3. Mark V. Meierhenry	Treasurer	4. Janel L. Van Ruler	Vice President of Operations

OTHER

DIRECTORS OR TRUSTEES

David A. Dyke	Sue M. French	Chad L. Hansen	Mark V. Meierhenry
Todd V. Meierhenry	Steve Hey	John Dyke	

State of..... South Dakota
County of..... Minnehaha

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy of the enclosed statement (except for formatting differences due to electronic filing). The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

_____ (Signature) Chad L. Hansen	_____ (Signature) Todd V. Meierhenry	_____ (Signature) Mark V. Meierhenry
1. (Printed Name) President	2. (Printed Name) Secretary	3. (Printed Name) Treasurer
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me
This _____ day of _____

a. Is this an original filing? Yes [X] No []
b. If no 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	2,137,942		2,137,942	2,112,285
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	306,196		306,196	356,138
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$....744,677, Sch. E-Part 1), cash equivalents (\$.....0, Sch. E-Part 2) and short-term investments (\$....374,503, Sch. DA).....	1,119,180		1,119,180	637,777
6. Contract loans (including \$.....0 premium notes).....			0	
7. Other invested assets (Schedule BA).....	0		0	0
8. Receivables for securities.....			0	
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	3,563,319	0	3,563,319	3,106,200
11. Title plants less \$.....0 charged off (for Title insurers only).....			0	
12. Investment income due and accrued.....			0	
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in course of collection.....			0	
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
13.3 Accrued retrospective premiums.....			0	
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....			0	
14.2 Funds held by or deposited with reinsured companies.....			0	
14.3 Other amounts receivable under reinsurance contracts.....			0	
15. Amounts receivable relating to uninsured plans.....			0	
16.1 Current federal and foreign income tax recoverable and interest thereon.....	5,000		5,000	10,000
16.2 Net deferred tax asset.....			0	
17. Guaranty funds receivable or on deposit.....			0	
18. Electronic data processing equipment and software.....	1,367		1,367	2,278
19. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
20. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
21. Receivables from parent, subsidiaries and affiliates.....	7,789	7,789	0	
22. Health care (\$.....0) and other amounts receivable.....			0	
23. Aggregate write-ins for other than invested assets.....	12,741	12,741	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	3,590,216	20,530	3,569,686	3,118,478
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
26. TOTALS (Lines 24 and 25).....	3,590,216	20,530	3,569,686	3,118,478

DETAILS OF WRITE-INS

0901.....			0	
0902.....			0	
0903.....			0	
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	0	0	0	0
2301. company vehicle.....	12,741	12,741	0	
2302.....			0	
2303.....			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	12,741	12,741	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Known claims reserve (Part 2B, Line 3, Col. 4).....	337,000	150,000
2. Statutory premium reserve (Part 1B, Line 2.5, Col. 1).....	825,622	783,871
3. Aggregate of other reserves required by law.....	0	0
4. Supplemental reserve (Part 2B, Col. 4, Line 12).....		
5. Commissions, brokerage and other charges due or accrued to attorneys, agents and real estate brokers.....		
6. Other expenses (excluding taxes, licenses and fees).....	75,085	57,027
7. Taxes, licenses and fees (excluding federal and foreign income taxes).....	65,674	41,066
8.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))		
8.2 Net deferred tax liability.....		
9. Borrowed money \$.....0 and interest thereon \$.....0.....		
10. Dividends declared and unpaid.....		
11. Premiums and other consideration received in advance.....		
12. Unearned interest and real estate income received in advance.....		
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....		
15. Provision for unauthorized reinsurance.....		
16. Net adjustment in assets and liabilities due to foreign exchange rates.....		
17. Drafts outstanding.....		
18. Payable to parent, subsidiaries and affiliates.....		
19. Payable for securities.....		
20. Aggregate write-ins for other liabilities.....	0	0
21. Total liabilities (Lines 1 through 20).....	1,303,382	1,031,964
22. Aggregate write-ins for special surplus funds.....	0	0
23. Common capital stock.....	508,146	508,146
24. Preferred capital stock.....		500,000
25. Aggregate write-ins for other than special surplus funds.....	0	0
26. Surplus notes.....	1,100,000	
27. Gross paid in and contributed surplus.....	554,527	1,154,527
28. Unassigned funds (surplus).....	133,876	(45,915)
29. Less treasury stock, at cost:		
29.10.000 shares common (value included in Line 23 \$.....0).....	30,243	30,243
29.20.000 shares preferred (value included in Line 24 \$.....0).....		
30. Surplus as regards policyholders (Lines 22 to 28 less 29) (Page 4, Line 32).....	2,266,306	2,086,515
31. TOTALS (Page 2, Line 26, Col. 3).....	3,569,687	3,118,478

DETAILS OF WRITE-INS

0301.		
0302.		
0303.		
0398. Summary of remaining write-ins for Line 3 from overflow page.....	0	0
0399. Totals (Lines 0301 thru 0303 plus 0398) (Line 3 above).....	0	0
2001. liability correction from 1999.....		
2002.		
2003.		
2098. Summary of remaining write-ins for Line 20 from overflow page.....	0	0
2099. Totals (Lines 2001 thru 2003 plus 2098) (Line 20 above).....	0	0
2201.		
2202.		
2203.		
2298. Summary of remaining write-ins for Line 22 from overflow page.....	0	0
2299. Totals (Lines 2201 thru 2203 plus 2298) (Line 22 above).....	0	0
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0

Annual Statement for the year 2007 of the **Dakota Homestead Title Insurance Company**
OPERATIONS AND INVESTMENT EXHIBIT

STATEMENT OF INCOME	1 Current Year	2 Prior Year
OPERATING INCOME		
1. Title insurance and related income (Part 1):		
1.1 Title insurance premiums earned (Part 1B, Line 3, Col. 1).....	3,850,567	5,281,402
1.2 Escrow and settlement services (Part 1A, Line 2, Col. 4).....		
1.3 Other title fees and service charges (Part 1A, Line 3, Col. 4).....		
2. Aggregate write-ins for other operating income.....	183,978	73,938
3. Total operating income (Lines 1 through 2).....	4,034,545	5,355,340
DEDUCT:		
4. Losses and loss adjustment expenses incurred (Part 2A, Line 10, Col 4).....	251,953	185,422
5. Operating expenses incurred (Part 3, Line 24, Cols. 4 and 6).....	3,823,957	5,144,640
6. Aggregate write-ins for other deductions.....	0	0
7. Total operating deductions.....	4,075,910	5,330,061
8. Net underwriting gain or (loss) (Lines 3 minus 7).....	(41,365)	25,279
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	79,714	118,384
10. Net realized capital gains or (losses) less capital gains tax of \$.....0 (Exhibit of Capital Gains (Losses)).....	18,355	22,066
11. Net investment gain or (loss) (Lines 9 + 10).....	98,069	140,451
OTHER INCOME		
12. Aggregate write-ins for miscellaneous income or (loss).....	0	0
13. Net income after capital gains tax and before all other federal income taxes (Lines 8 + 11 + 12).....	56,704	165,729
14. Federal and foreign income taxes incurred.....		
15. Net income (Lines 13 minus 14).....	56,704	165,729
CAPITAL AND SURPLUS ACCOUNT		
16. Surplus as regards policyholders, December 31 prior year (Page 3, Line 30, Column 2).....	2,086,514	2,299,216
17. Net income (from Line 15).....	56,704	165,729
18. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....	(26,277)	24,238
19. Change in net unrealized foreign exchange capital gain (loss).....		
20. Change in net deferred income tax.....		
21. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 26, Col. 3).....	149,366	(128,169)
22. Change in provision for unauthorized reinsurance (Page 3, Line 15, Cols. 2 minus 1).....		
23. Change in supplemental reserves (Page 3, Line 4, Cols. 2 minus 1).....		
24. Change in surplus notes.....		
25. Cumulative effect of changes in accounting principles.....		
Capital changes:		
26.1 Paid in.....		
26.2 Transferred from surplus (Stock Dividend).....		
26.3 Transferred to surplus.....		
Surplus adjustments:		
27.1 Paid in.....		
27.2 Transferred to capital (Stock Dividend).....		
27.3 Transferred from capital.....		
28. Dividends to stockholders.....		(274,500)
29. Change in treasury stock (Page 3, Line 29.1 and 29.2, Cols. 2 minus 1).....		(0)
30. Aggregate write-ins for gains and losses in surplus.....	0	0
31. Change in surplus as regards policyholders for the year (Lines 17 through 30).....	179,793	(212,702)
32. Surplus as regards policyholders, December 31 current year (Line 16 plus Line 31) (Page 3, Line 30).....	2,266,308	2,086,514
DETAILS OF WRITE-INS		
0201. consulting income.....	121,732	34,433
0202. mangement income.....	62,246	37,905
0203. rental income.....		1,600
0298. Summary of remaining write-ins for Line 2 from overflow page.....	0	0
0299. Totals (Lines 0201 thru 0203 plus 0298) (Line 2 above).....	183,978	73,938
0601.		
0602.		
0603.		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	0	0
1201. consulting income.....		
1202.		
1203.		
1298. Summary of remaining write-ins for Line 12 from overflow page.....	0	0
1299. Totals (Lines 1201 thru 1203 plus 1298) (Line 12 above).....	0	0
3001. surplus deduction.....		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	0	0

Inside Amount Input Area: