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## GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of **UnionBank, Streator, Illinois** prepared by the **Federal Reserve Bank of Chicago**, the institution's supervisory agency, as of **June 9, 1997**. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

**INSTITUTION'S RATING:** This institution is rated Satisfactory.

UnionBank generally promotes economic revitalization and growth, consistent with its size, financial capacity, location, and assessment area's economic conditions. The bank's efforts are accomplished primarily through the origination of 1-4 family real estate loans and small business/agricultural loans. The bank's average loan-to-deposit of 71.50% and high percentage (89.46%) of loans in the assessment area, supports these efforts. The bank uses innovative and flexible lending practices, and lending to borrowers of different incomes is considered reasonable.

The level of qualified community development investments and grants, and the bank's responsiveness to credit and community development needs is considered to be low satisfactory. Although the bank demonstrates innovativeness and uses complex investments to support job creation in the community, these investments were limited in variety, number and dollar volume.

The bank's network of full-service branches and automated teller machines, and its hours of operation are accessible to all portions of the assessment area. The bank provides a satisfactory level of community development services. There is no evidence of prohibited discriminatory lending practices, or policies intended to discourage individuals from applying for loans offered by the bank. No CRA related complaints were received by the bank since the previous examination.

The following table indicates the performance level of **UnionBank, Streator, Illinois** with respect to each of the five performance criteria.

<b>PERFORMANCE LEVELS</b>	<b>UNIONBANK</b>		
	<b>PERFORMANCE TESTS</b>		
	<b>LENDING TEST</b>	<b>INVESTMENT TEST</b>	<b>SERVICE TEST</b>
<b>OUTSTANDING</b>	X		
<b>HIGH SATISFACTORY</b>			X
<b>LOW SATISFACTORY</b>		X	
<b>NEEDS TO IMPROVE</b>			
<b>SUBSTANTIAL NONCOMPLIANCE</b>			

**DESCRIPTION OF INSTITUTION**

UnionBank, with total assets of \$269,161,000 as of March 31, 1997, is a subsidiary of Unionbancorp, Inc., a multi-bank holding company located in Ottawa, Illinois. The bank's office network consist of its main office and one branch in Streator, three branches are located in Ottawa, one in Triumph, and one in Peru. In addition, the bank operates five proprietary automated teller machines (ATMs), two in Streator, two in Ottawa and one in Peru; and two cash dispensing machines, one in Oglesby and one in Utica.

The bank offers a complete array of credit products which is supplemented through extensive use of government sponsored/subsidized loan programs. Safe deposit, trust and investment services are also available to the community. The bank is predominantly a real estate lender. Based upon information contained in the March 31, 1997 Uniform Bank Performance Report (UBPR), approximately 55.82% of the bank's loan portfolio is in real estate, with 22.07% of real estate loans secured by one-to-four residences. Commercial and industrial, consumer and agricultural loans comprise 21.65%, 13.28% and 8.68%, respectively. Mortgage loans include conventional loans with financing up to 95% loan-to-value with private mortgage insurance (PMI), construction, mobile home and home equity loans. Consumer loan products consist of home equity lines of credit, automobile loans, overdraft protection loans, unsecured and secured personal loans and credit cards. The bank is a recognized leader in commercial/industrial and agricultural credit within its community.

The bank's primary competition is provided by branch offices of First Midwest Bank of Joliet, First of America Bank Illinois, Streator Home Building and Loan FSB, Ottawa Federal Savings Bank FSB, First National Bank of Ottawa, First Federal Savings Bank FSB, Ottawa Federal Savings and Loan, Financial Plus Credit Union, Illinois Department of Transportation Credit Union, LaSalle County School Employees Credit Union, Bakelite Ottawa Plastics Credit Union, LaSalle National Bank, LaSalle State Bank, Citizens First National Bank of Princeton, Eureka Savings Bank FSB, First State Bank of Mendota and Peru Federal Savings and Loan.

**DESCRIPTION OF ASSESSMENT AREA**

UnionBank's assessment area is defined as all of LaSalle County and five townships in Livingston County which are contiguous to and immediately south of LaSalle County. The assessment area is approximately 100 miles southwest of Chicago, and includes 29 block numbering areas (BNAs): one moderate-income (9633); 21 middle-income and seven upper-income. There are no low income geographies in the assessment area. The one moderate-income BNA comprises 2.3% (2,631 of 114,177) of the total population within the bank's assessment area. The assessment area includes 29 communities, of which Ottawa (17,451), Streator (14,121), LaSalle (9,717), Peru (9,302) and Mendota (7,018) have populations exceeding 5,000.

According to the 1990 U.S. census data, the population in the bank's assessment area is 114,177. The racial makeup of the population is as follows: Whites - 109,229 or 95.7%; Blacks - 1,083 or 0.9%; Asian - 385 or 0.3%; individuals of Hispanic descent - 3,150 or 2.8%; American Indians - 269 or 0.2%; and all other minorities 61 - or 0.1%. The assessment area's housing market consist of 46,680 total housing units: 32,312 (69.2%) are owner occupied, 11,645 (24.9%) are rental units and 2,723 (5.8%) are vacant. One-to-four family units and five or more units account for 78.3% and 5.8% of total housing units, respectively. The median housing value in the assessment area is \$49,340 and the median age of housing stock is 56 years. The median family income is \$33,142 for the assessment area, \$38,664 for the state and \$29,694 for the nonmetropolitan portion of the state. The breakdown of families in the assessment area, by income level, is as follows: low-income - 4,977 or 15.9%; moderate-income - 5,016 or 16.0%; middle-income - 7,281 or 23.2%; and upper-income - 14,103 or 44.9%.

The local economy is supported primarily by agriculture with additional support from a growing manufacturing sector. Major employers in the area include the following:

EMPLOYER	LOCATION	# of EMPLOYEES	PRODUCT/SERVICE
Owens-Brockway Glass Containers	Streator	450	Glass Containers
G E Plastic	Ottawa	425	Plastic Containers
Donnelly Mendota, Inc., R.R.	Mendota	340	Printing & Typesetting
Libbey-Owens-Ford Glass	Ottawa	340	Glass
Vactor Manufacturing Co.	Streator	300	Street Sweepers, Sewer Cleaners & Vacuum Loaders
Sauer-Sundstrand	La Salle	275	Transmissions & Pumps
H C C, Inc.	Mendota	250	Industrial Machinery
Haul Incorporated	Mendota	250	Combine Components
Machine Tech, Inc.	Marseilles	250	Automobile Belts & Industrial Rubber Products
Carus Chemical Co.	La Salle	225	Chemical Processing
B W D Automotive Corporation	Ottawa	200	Automotive & Truck Clutches

According to the Illinois Department of Employment Security, La Salle County had a unemployment rate of 8.8% as of March 1996 and 8.4% as of March 1997, which compares unfavorably to the states unemployment rates of 5.6% and 5.3% for the same time periods. Representatives from the community indicated that the high unemployment rate has resulted from the fact that the county has not recovered from the recent closure of automobile parts plants, and the continued downsizing of other local industries, including the glass industry.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA:**

Management has developed adequate policies, procedures and training programs to support nondiscrimination in lending activities. The institution is in compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity and Fair Housing Acts.

**LENDING TEST**

**Lending Volume**

UnionBank's loan portfolio was reviewed to evaluate its lending volume, loan mix, and how the bank's performance compares to its peer group and a sample of local competitors. The bank's loan-to-deposit ratio (LTD) averaged 71.50% for the seven quarters ended March 31, 1997, compared to 52.97%, 69.42% and 65.19%, respectively for the bank's three primary competitors. As of March 31, 1997, the bank's LTD was 74.09%, compared to 56.98%, 72.55% and 60.53%, respectively for its competitors. Not considered in the bank's LTD ratio are loans sold on the secondary market. Since the previous examination, the bank sold on the secondary market 265 loans totaling \$19.0 million. According to the June 30, 1995 and March 31, 1997 call reports, the bank and a sample of its local competitors' LTD ratios are as follows:

<b>Institution</b>	<b>Total Assets as of March 31, 1997 (\$000)</b>	<b>LTD as of June 30, 1995</b>	<b>LTD as of March 31, 1997</b>	<b>Seven Quarter Average LDT Ratio</b>
<b>UnionBank</b>	269,161	69.74	74.09	71.50
<b>First NB of Ottawa</b>	233,021	44.83	56.98	52.97
<b>Citizens First NB</b>	412,569	63.10	72.55	69.42
<b>Amcore Bank NA North Central</b>	437,184	62.56	60.53	65.19

As the preceding chart illustrates, the bank's level of lending exceeds that of its primary competitors. Further review revealed that the bank's LTD ratio increased 4.35% since the previous examination from 69.74% as of June 30, 1995. A comparison of the bank's current loan distribution with information contained in the previous report of examination, data as of June 30, 1995, revealed an overall increase in loan volume of 11.65%, from \$154,978,000 to \$173,037,000.

According to the Uniform Bank Performance Report (UBPR), dated March 31, 1997, the bank's performance compared to peer is illustrated in the following chart:

LOAN TYPE	BANK AVERAGE LOAN MIX (%)	PEER AVERAGE LOAN MIX (%)
REAL ESTATE LOANS		
Construction/Development	3.74	2.17
1 4 Family Residential	22.07	33.02
Home Equity	2.49	.85
Other Real Estate	30.00	22.03
Farmland	4.62	3.44
Multi-family	.92	.66
Commercial	24.45	15.32
TOTAL REAL ESTATE	55.82	60.44
LOANS TO INDIVIDUALS	13.28	15.59
CREDIT CARDS	1.41	.49
COMMERCIAL & INDUSTRIAL LOANS	21.65	14.23
AGRICULTURAL LOANS	8.68	3.36
MUNICIPAL LOANS	.52	.51
OTHER LOANS	.06	.18

BANK NET LOAN/LEASE TO DEPOSIT RATIO	PEER NET LOAN/LEASE TO DEPOSIT RATIO
74.09	71.58

A review of significant differences in loan distribution by product revealed that the bank's residential real estate loans were 10.95% below peer, while the bank's other real estate, commercial real estate, commercial and industrial, and agricultural loans exceeded the peer by 7.97%, 9.13%, 7.42% and 5.32%, respectively.

**Geographic Distribution**

The bank's 1996 CRA data collection for installment, real estate, agriculture and residential real estate loans and home equity lines of credit were reviewed to determine the bank's level of lending within its assessment area. The distribution of these loans within the assessment is as follows:

Loan Type	Total Number of Loans Sampled	Number within Assessment Area	Percent of Total
Installment Loans	638	569	89.18
Home Equity Lines	218	216	99.08
Residential Real Estate	308	244	79.22
Agriculture Loans	313	288	92.01
Commercial Loans	676	609	90.09
<b>Total</b>	<b>2,153</b>	<b>1926</b>	<b>89.46</b>

As indicated in the above chart, a high percentage (89.92%) of loans were made within the assessment area. Home equity lines of credit represent the highest percentage (99.08%) and commercial loans the largest volume (609) of lending activity in the assessment area. Although not presented in the above chart, approximately \$65.7 million or 76% of loan dollars were within the assessment area.

The bank's assessment area is defined as 29 whole BNAs: one (9633) moderate-income (3.45%), 21 middle-income (72.41%) and seven upper-income (24.14%). Review of the bank's loan data revealed that a total of 1,926 installment, real estate, agriculture and home equity lines of credit were made within the assessment area. The review also noted that the bank had lending activity in all 29 BNAs. Loan distribution by product type within the respective BNAs is summarized as follows:

Loan Type	Moderate-Income BNA Number/Percent	Middle-Income BNAs Number/Percent	Upper-Income BNAs Number/Percent	Product Totals
<b>Installment</b>	9/1.58	457/80.32	103/18.10	569
<b>Home Equity</b>	0	163/75.46	53/24.54	216
<b>Residential (1-4)</b>	1/4.1	169/69.26	74/30.33	244
<b>Agriculture</b>	0	229/79.51	59/20.49	288
<b>Commercial</b>	18/2.96	462/75.86	129/21.18	609
<b>BNA Totals</b>	<b>28/1.45</b>	<b>1,480/76.85</b>	<b>418/21.70</b>	<b>1,926</b>

As shown in the preceding chart, the lowest number (28 or 1.45%) of loans was made in the one moderate-income BNA (9633) and the largest number (1,480 or 76.85%) was made in middle-income BNAs. Moderate-income and middle-income BNAs comprise 3.45% and 72%, respectively of the total number of BNAs in the assessment area. The review also revealed that no

home equity lines of credit and only one residential real estate loan was made in BNA 9633. According to management, factors contributing to the low number of loans in this BNA include: the BNA's location, which borders the downtown LaSalle business district; a sewer and water treatment plant that occupy a large portion of the BNA; and a low number of older houses. According to the 1990 census, BNA 9633 has the lowest number of owner-occupied households (648) and number of families (636) of the 29 BNAs in the assessment area. The 1990 census data also show that this BNA has the second lowest population (2,631) of all the BNAs.

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

The bank's 1996 CRA data collection for installment loans, residential real estate loans, home equity lines of credit, commercial and agriculture loans was reviewed to determine the bank's loan distribution among borrowers of different incomes and businesses and farms of different sizes. Analysis of lending to borrowers of different income levels was based on nonmetropolitan median family income of \$29,694 income distribution within the assessment area: 15.9% low-income; 16.0% moderate-income; 23.2% middle-income; and 44.9% upper-income families.

The bank originated a total of 1,164 installment loans, residential real estate loans and home equity lines of credit, totaling \$30,168,000. Of which, income information was available for 997 loans, totaling \$25,400,000. The distribution of these loans is summarized as follows:

<b>LOAN TYPE</b>	<b>LOW-INCOME \$000's/Number</b>	<b>MODERATE- INCOME \$000's/Number</b>	<b>MIDDLE-INCOME \$000's/Number</b>	<b>UPPER-INCOME \$000's/Number</b>
<b>Installment</b>	\$318,000/94	\$692,000/125	\$838,000/116	\$1,500,000/200
<b>Residential (1-4)</b>	\$341,000/7	\$1,102,000/25	\$3,698,000/66	\$12,585,000/167
<b>Home Equity</b>	\$51,000/4	\$179,000/12	\$477,000/29	\$3,619,000/152
<b>Totals</b>	\$710,000/105	\$1,973,000/162	\$5,013,000/211	\$17,704,000/519

As illustrated in the preceding chart, there were loans to low- or moderate-income borrowers in all categories reviewed. Approximately 26.78% of total loans were made to low- or moderate-income borrowers, which is consistent with the area's low- and moderate-income family income distribution of 31.9%. Installment loans represent the highest number (219 of 535) and percent (40.93%) of the loan types made to low- or moderate-income borrowers, while home equity lines of credit represent the lowest number (16 of 197) and percent (8.12%). Thirty-two or 12.08% of the bank's residential 1-4 loans were made to low- or moderate-income borrowers.

The distribution (based on loan dollar volume) among borrowers of different incomes of the approximately \$25 million total loan dollars is as follows: low- and moderate-income borrowers - 10.56%; middle-income borrowers - 19.74%; and upper-income borrowers - 69.70%.

The bank's lending to small businesses and small farms is summarized as follows:

DISTRIBUTION OF BUSINESS LOANS BY LOAN AMOUNT								
	\$100,000 or less		Greater than \$100,000 to \$250,000		Greater than \$250,000 and less than \$1 million		Total	
	Number	Amount (000)	Number	Amount (000)	Number	Amount (000)	Number	Amount (000)
Small Business	593	\$14,306	41	\$7,518	42	\$19,412	676	\$41,236
	87.72%	34.69%	6.07%	18.23%	6.21%	47.08%	100%	100%
Small Farm	274	\$8,668	35	\$5,434	4	\$1,375	313	15,477
	87.54%	56.01%	11.18%	35.11%	1.28%	8.88%	100%	100%

As illustrated in the preceding chart, approximately 88% of the bank's commercial and farm loans were in amounts of \$100,000 or less.

**Community Development Lending**

The bank did not make any community development loans in the period under review. According to management, there are not many opportunities in the assessment area to participate in this type of lending. Discussions with representatives from the community did not reveal any unmet community development lending opportunities in the assessment area.

**Use of Innovative or Flexible Lending Practices**

A sample of innovative and/or flexible lending programs or practices in which the bank participated during the examination review period to meet the credit needs of low- and moderate-income individuals and geographies were reviewed. UnionBank's efforts in this area is concentrated in a variety of government sponsored loan programs. These programs and practices are summarized as follows:

**- The Agricultural Loan Program (ALP).** ALP is administered by the Illinois State Treasurer's Office. The ALP is the largest linked-deposit program in the nation; Illinois ALP is available to farmers statewide through over 1,000 financial institutions. Funds are deposited in the form of collateralized time deposits. ALP deposit rates are established daily by the Treasurer's Office, and

agricultural lenders are permitted to charge borrowers up to 4% more than the interest rate set for the time deposit. Lending institutions obtaining state deposits at the reduced agricultural rate must limit the amount lent to any single borrower to fifty percent of the borrower's operating capital.

ALP funds may be used for the following expenditures: seed, fertilizer, chemicals, cash rent, crop insurance, purchase of livestock, purchase of feed, production related energy and labor expenses, veterinarian fees, and used farm equipment, irrigation and soil and water conservation.

Since the previous examination, UnionBank made 199 ALP loans totaling \$9,147,051.

- **Small Business Administration (SBA).** UnionBank is certified by the SBA as a direct source for SBA loans. Interest rates on SBA loans are negotiable between the borrower and UnionBank, maximum interest rates are currently the lowest money center prime rate. Loan terms are as follows: acquisition or construction of real estate, up to twenty-five years; machinery and equipment, up to 10 years and inventory and working capital, up to 7 years. A cash injection by the applicant is required for any SBA loan. Loans are guaranteed by the SBA up to \$750,000.

SBA loans are made available for the following purposes: new business start-up; real estate purchase; equipment purchase; expansion project; improvement project; working capital and refinancing existing debt.

Since the previous examination, UnionBank made 34 SBA loans totaling \$3,651,000.

- **Farm Service Agency (FSA).** Programs offered by FSA include the following: operating loans and lines of credit; farm ownership loans and interest assistance. FSA's goal is to provide credit for family farmers and ranchers when credit is not available without a guarantee, as well as to become owner-operators of family farms. Loans and lines of credit cannot exceed \$400,000 and farm ownership loans are limited to \$300,000. FSA guarantees all loans and lines of credit up to 90%. The interest assistance program is designed to provide loans at subsidized interest rates to borrowers with cash flow problems. Under the program, lenders are permitted to reduce the interest rate charged to borrowers by 4 percentage points. Interest assistance cannot exceed 10 years and cannot exceed the term of the loan.

Since the previous examination, UnionBank made 16 FSA loans totaling \$1,926,680.

- **Farmers Home Administration (FmHA).** FmHA targets low- and moderate-income individuals residing in rural populations under 25,000. Household income is used to determine eligibility. The program features 100% financing, expanded debt-to-income ratios, a maximum purchase price of \$92,625, and owner-occupancy of residential property that is less than 1 acre. Loans are 90% guaranteed by FmHA.

Since the previous examination, UnionBank made 22 FmHA loans totaling \$1,095,920.

- **Illinois Housing Department Authority (IHDA) - First Time Home Buyers= Program.** This loan program targets low- and moderate-income individuals. Terms of the program are as follows: applicants must not have owned a owner-occupied residence in the past three years; household income must be less than \$50,100, with up to 95% financing and below market interest rates.

Since the previous examination, UnionBank made 10 IHDA loans through this loan program totaling \$557,900.

-**Illinois Farm Development Authority (IFDA) - Beginning Farmer Bond Program (BFBP).** The purpose of BFBP is to provide affordable financing to new, low net worth farmers for financing capital purchases. IFDA works with the borrower's local lender to provide this financing, and issues a tax-exempt bond for the amount of the loan. Because the interest income to the lender is exempt from federal income tax, the lender is able to charge a lower interest rate to the borrower. The loan and the bond are secured solely by the collateral required by the lender, and are not obligations of IFDA or of the State of Illinois. All credit decisions are made by the lender. The maximum loan amount under the program is \$250,000, and loan proceeds may be used for the following capital purchases: farmland; agricultural improvements; depreciable agricultural property and the purchase of property from related persons.

Since the previous examination, UnionBank made one IFDA loan through this program totaling \$40,000.

### **Conclusion**

The bank's lending performance is considered outstanding. During the examination period, overall lending increased; although slightly below its peers, the bank's loan-to-deposit ratio exceeded that of its local competitors. A substantial majority of the bank's loans are within the assessment area. Although only one real estate loan and no home equity lines of credit were made in the one moderate-income geography, performance is considered reasonable, given the demographics within the assessment area. Lending to businesses and farms of different sizes was excellent and the bank made extensive use of innovative and flexible lending practices.

### **INVESTMENT TEST**

The bank's investment portfolio, donations and special programs that foster community development were reviewed. Qualified investments or grants were reviewed for innovativeness, responsiveness to credit and community development needs and the degree to which these investments are not routinely provided by private investors.

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**Qualified Investment Activity**

During the examination period, the bank participated in one qualified investment with the Upper Illinois River Valley Community Development Corporation (CDC). The CDC is a for-profit corporation located in Princeton, Illinois whose purpose is to provide loans to for-profit small businesses. Loan funds come from a pool provided by fifteen local participating banks, including UnionBank. Loans emphasize job creation and provide gap financing when conventional lenders are unable to meet the financing needs of small businesses. No loans have been made as of the examination date. UnionBank's total investment in the CDC is \$50,000, including \$26,500 since the previous examination.

**Innovativeness and Complexity**

The bank's assessment area continues to lose jobs as a result of plant closures and continued industry downsizing. As a result, the unemployment rate for LaSalle County has remained significantly higher than that for the state. UnionBank's participation with the Upper Illinois River Valley Community Development Corporation is considered to be innovative because a great degree of priority is placed on job creation in the assessment area. The CDC promotes economic development by financing small businesses which in turn create jobs in the assessment area.

**Degree to Which Investments Are Not Provided by Private Investors**

The bank has a commitment to donate to the Streator Chamber of Commerce's EDGE 2000 project \$10,000 annually over a five-year period. As of the examination date, UnionBank had donated a total of \$30,000 to the project. Of which, \$20,000 was donated during the examination period. The EDGE 2000 project is a industrial park located in southeast Streator, with a primary goal of attracting small businesses to the park for the purpose of job creation and retention.

**Conclusion**

The bank's investment performance is considered to be low satisfactory based on the level of investment activity; however, management has demonstrated its willingness to contribute to investment opportunities that supplement community lending activity. The bank's one qualified investment demonstrates responsiveness to the assessment area's need for job creation and retention.

**SERVICE TEST**

UnionBank's system for delivering retail banking and community development services was reviewed. The services provided by the bank were reviewed for range and accessibility, innovativeness and responsiveness, and alternative systems used for delivering those services. In addition, the distribution of the bank's branches, record of opening and closing branch offices and community development service activity were reviewed

**Retail Banking Services**

According to the bank’s CRA Statement, it is the policy of UnionBank to effectively service and meet the credit needs of its assessment area. UnionBank is a full-service bank with branches, ATMs and cash stations located in LaSalle County. The bank provides loans to consumers, organizations, businesses and government entities using nondiscriminatory standards. The bank also offers checking and interest bearing accounts, as well as trust services. In addition to five ATMs and the two cash dispensing machines, alternate delivery systems include limited banking by phone, and the bank is currently in the Beta testing stage for banking on the Internet.

**Distribution of Branches and Alternative Banking Services**

The bank’s assessment area includes all of LaSalle County and portions (BNA 9603 and 9604) of Livingston County. According to management, the northern portion of LaSalle County and those portions of Livingston County included in the assessment area are sparsely populated, and are comprised primarily of rural farming communities. In addition to the bank’s main office, located at 201 E. Main Street in Streator, the bank operates six branches and five proprietary ATMs all located in LaSalle County. The bank also operates two cash dispensing machines: one located on the campus of Illinois Valley Community College in Oglesby and one located in the Starved Rock State Park Lodge. The following chart details branch office and ATM locations:

<b>Branch Locations &amp; Hours of Operations</b>				
<b>Community</b>	<b>Address</b>	<b>County/BNA</b>	<b>Geography Income Level</b>	<b>Facility Type</b>
Streator	Main Office 201 Main Street	LaSalle /9642	Middle-Income	Loan and Administration Office
Streator	24 Danny’s Drive	LaSalle/9639	Middle-Income	Branch/ATM
Triumph	Main Street	LaSalle /9621	Middle-Income	Branch/ATM
Ottawa	122 W. Madison	LaSalle/9627	Middle-Income	Branch/ATM
Ottawa	400 W. Etna Road	LaSalle/9626	Middle-Income	Branch
Ottawa	401 McKinley Road	LaSalle/9635	Upper-Income	Branch/ATM
Peru	1311 Shooting Park Road	LaSalle/9630	Upper-Income	Branch/ATM

Although no offices are located in the moderate-income BNA, this BNA is served by the Peru and Triumph branches which are 1 and 10 miles to the north, respectively of the BNA.

The lobby hours for 201 E. Main Street and 200 E. Main Street are Monday through Friday 9:00am to 5:00pm and Saturday 9:00am to 12:00pm. The lobby hours for the Triumph branch are Monday through Thursday 8:30am to 4:00pm, Friday 8:30am to 5:00pm and Saturday 8:30am to 12:00pm. Lobby hours for the three Ottawa branches are Monday through Friday 8:30am to 5:00pm, Saturday 8:30am to 12:00pm. Lobby hours for the Peru branch are Monday through Friday 8:00am to 6:00pm and Saturday 8:00am to 1:00 pm. The drive-up hours for 201 E. and 200 E. Main Street are Monday through Friday 7:30am to 5:00pm and Saturday 7:30 to 12:00pm. Drive-up hours for Danny's Drive In are Monday through Saturday 8:00am to 6:00pm. Drive-up hours for the three Ottawa locations are Monday through Thursday 7:30am to 5:00pm, Friday 7:30am to 6:00pm and Saturday 7:30am to 12:00pm. The drive-up hours for the Peru location are Monday through Friday 7:30am to 6:00pm and Saturday 7:30am to 12:00pm.

### **Record of Opening and Closing Offices**

The bank has developed a written branch closing policy, effective January 20, 1997. No branches were closed or opened during the examination period.

### **Community Development Services**

The bank provides community development services to the local community through employee involvement, educational programs, seminars and credit counseling activities.

#### Ottawa Business & Professional Women's Seminar (BPW)

In October, 1996, an informational seminar regarding women and their finances was held at Community Hospital of Ottawa. A officer from a UnionBank affiliate presided over the panel and acted as program host. Approximately 40 professional women were present, and topics covered included how to read a credit bureau report, the benefits and disadvantages of co-signing, and preparing your finances for the future. In addition, LaSalle County Collections conducts approximately two free credit counseling sessions per week. These sessions address how individuals can repair bad credit.

In October, 1996, an officer from the bank participated in a BPW program in Ottawa, Illinois. Topics discussed included credit ratings, life insurance, and mutual funds.

Consumer Education Presentations

A personal banker made presentations at Woodland High School in Livingston County (March 1997, February 1996 and November 1995) and Streator Township High School (November 1995). The presentation covered checking and savings accounts, reconciling a check account, ATM and debit cards, credit cards and personal and automobile loans.

In October, 1996, a bank employee participated in the Streator Township High School Career/Occupations Day. The primary purpose of this endeavor was to have the high school students interact with various business/company employees to help familiarize them with the various job responsibilities in the business industry.

Range and Accessibility of Services Provided to Geographies

All office locations are full-service branches, and offer services to meet the needs of the assessment area, including low- and moderate-income individuals and the one moderate-income geography.

**Conclusion**

The bank's service test performance is considered highly satisfactory. Banking services are reasonably accessible throughout the assessment area. The bank's seven offices are concentrated in and around the largest population centers in the assessment area: Ottawa (17,451); Streator (14,121) and Peru (9,302). These population centers are close to the sparsely populated areas located directly north of the Triumph, Ottawa and Peru branches.