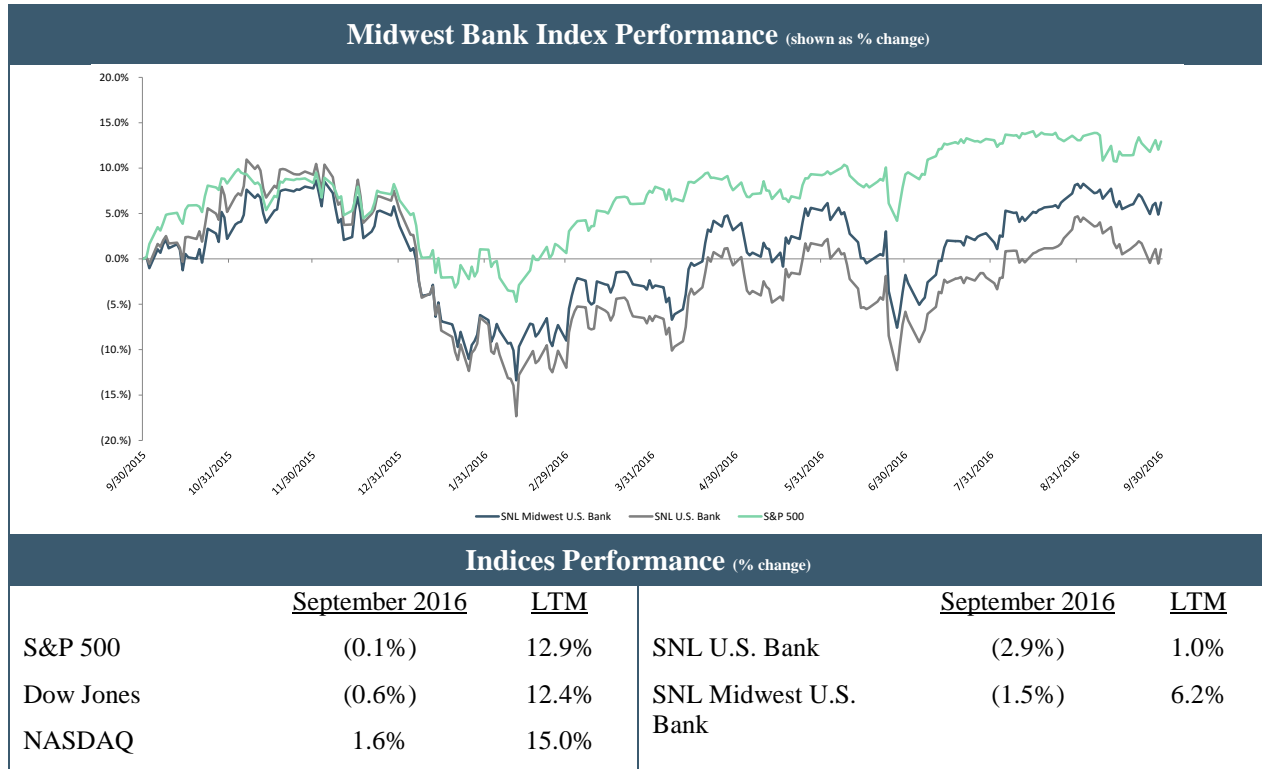


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Note: U.S. Bank index includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ). Midwest region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in IA, IN, IL, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI.

Movers and Losers (largest % changes in the month of September)

Bank Name	Price/Share	Price Change	Bank Name	Price/Share	Price Change
Enterprise Bancorp (EBTC)	\$28.00	8.8%	Wells Fargo & Co. (WFC)	\$44.28	(12.2%)
First BanCorp (FBP)	\$5.20	7.7%	Home BancShares (HOMB)	\$20.81	(10.7%)
German American (GABC)	\$38.93	6.8%	Umpqua Holdings (UMPQ)	\$15.05	(7.4%)
BancFirst Corp. (BANF)	\$72.51	6.1%	Seacoast Banking Corp. (SBCF)	\$16.09	(6.5%)
Capital City Bank Group (CCBG)	\$14.77	5.7%	Oriental Financial (OFG)	\$10.11	(6.4%)

Note: Price per share as of September 30, 2016. Consists of public banks listed on the NYSE and NASDAQ with a market capitalization greater than \$150 million.

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Select Public Trading Statistics (as of 9/30/2016)

Large U.S. National Banks:

Institution Name	Ticker	State	Market		NPAs/ Assets (%)	Net Interest Margin (%)	Efficiency Ratio (%)	Risk-based Capital Ratio (%)	Leverage Ratio (%)	Price/ Tangible	
			Capitalization (\$ in millions)	Total Assets (\$ in thousands)						Book (%)	Book (%)
JPMorgan Chase & Co.	JPM	NY	240,521.9	2,466,096,000	0.60	2.24	54.97	15.22	8.55	106.3	135.0
Wells Fargo & Company	WFC	CA	223,416.8	1,889,235,000	1.41	2.86	59.41	15.14	9.25	125.1	151.4
Bank of America Corporation	BAC	NC	159,705.1	2,186,966,000	0.84	2.21	63.56	13.95	8.88	66.1	94.4
Citigroup Inc.	C	NY	137,220.8	1,818,771,000	0.74	2.91	59.24	17.12	10.34	64.5	73.6
U.S. Bancorp	USB	MN	73,407.7	438,463,000	0.98	3.01	55.99	13.39	9.33	176.0	232.3
PNC Financial Services Group, Inc.	PNC	PA	44,271.0	361,335,000	1.03	2.71	62.19	14.31	10.18	105.5	135.9
Bank of New York Mellon Corporation	BK	NY	42,578.9	372,351,000	0.09	0.98	67.74	11.73	5.80	118.3	288.3
BB&T Corporation	BBT	NC	30,722.9	221,859,000	0.69	3.40	59.20	13.93	9.63	115.3	191.0
State Street Corporation	STT	MA	27,156.8	255,386,000	0.00	1.13	68.52	17.10	7.02	143.7	235.4
SunTrust Banks, Inc.	STI	GA	21,713.4	198,892,000	1.78	2.97	61.36	12.68	9.35	94.9	130.8
Minimum			21,713	198,892,000	0.0	1.0	55.0	11.7	5.8	64.5	73.6
Mean			100,072	1,020,935,400	0.8	2.4	61.2	14.5	8.8	111.6	166.8
Median			58,839	405,407,000	0.8	2.8	60.4	14.1	9.3	110.8	143.7
Maximum			240,522	2,466,096,000	1.8	3.4	68.5	17.1	10.3	176.0	288.3

Large Midwest Banks:

Institution Name	Ticker	State	Market		NPAs/ Assets (%)	Net Interest Margin (%)	Efficiency Ratio (%)	Risk-based Capital Ratio (%)	Leverage Ratio (%)	Price/ Tangible	
			Capitalization (\$ in millions)	Total Assets (\$ in thousands)						Book (%)	Book (%)
Fifth Third Bancorp	FTB	OH	15,680.0	143,625,000	1.29	2.86	65.45	14.66	9.64	101.8	120.9
Northern Trust Corporation	NTRS	IL	15,405.9	121,509,600	0.18	1.15	70.19	12.70	7.40	179.9	192.9
KeyCorp	KEY	OH	13,170.1	101,150,000	0.77	2.75	63.92	13.63	10.59	93.0	103.1
Huntington Bancshares Incorporated	HBAN	OH	10,697.7	73,954,017	1.81	3.04	63.29	13.49	9.55	120.6	135.6
Commerce Bancshares, Inc.	CBSH	MO	4,756.7	24,709,693	0.29	3.09	59.68	13.23	9.36	200.4	213.3
PrivateBancorp, Inc.	PVTB	IL	3,652.2	18,169,191	0.68	3.31	48.42	12.42	10.56	199.3	210.3
Associated Banc-Corp	ASB	WI	2,946.8	29,038,699	1.31	2.80	67.26	12.16	7.43	101.7	154.0
Wintrust Financial Corporation	WTRF	IL	2,871.4	24,420,616	0.61	3.25	64.26	12.41	9.25	120.9	153.9
MB Financial, Inc.	MBFI	IL	2,805.9	15,995,790	0.77	3.79	64.75	12.81	10.41	137.4	220.1
First National of Nebraska, Inc.	FINN	NE	2,089.8	18,783,090	1.00	5.85	64.08	13.37	10.86	105.4	115.1
First Midwest Bancorp, Inc.	FMBI	IL	1,574.3	10,995,810	0.63	3.71	60.30	10.68	8.94	125.8	178.7
Minimum			1,574	10,995,810	0.2	1.2	48.4	10.7	7.4	93.0	103.1
Mean			6,877	52,941,046	0.8	3.2	62.9	12.9	9.5	135.1	163.4
Median			3,652	24,709,693	0.8	3.1	64.1	12.8	9.6	120.9	154.0
Maximum			15,680	143,625,000	1.8	5.9	70.2	14.7	10.9	200.4	220.1

Small Midwest Banks:

Institution Name	Ticker	State	Market		NPAs/ Assets (%)	Net Interest Margin (%)	Efficiency Ratio (%)	Risk-based Capital Ratio (%)	Leverage Ratio (%)	Price/ Tangible	
			Capitalization (\$ in millions)	Total Assets (\$ in thousands)						Book (%)	Book (%)
Horizon Bancorp	HBNC	IN	434.1	2,918,080	0.57	3.60	62.09	12.56	9.55	131.4	171.1
First Mid-Illinois Bancshares, Inc.	FMBH	IL	339.2	2,119,783	0.24	3.35	59.82	14.11	9.44	123.9	160.2
First Business Financial Services, Inc.	FBIZ	WI	204.5	1,819,069	1.38	3.59	62.36	11.44	8.63	129.1	138.7
West Suburban Bancorp, Inc.	WNRP	IL	178.4	2,208,196	3.18	2.82	71.95	16.22	9.21	84.5	84.8
First Community Financial Partners, Inc.	FCFP	IL	163.6	1,125,362	0.62	3.39	59.93	14.14	9.77	147.2	147.2
STAR Financial Group, Inc.	SFIGA	IN	149.6	1,845,698	0.48	3.39	71.18	13.42	9.89	77.1	79.5
Marquette National Corporation	MNAT	IL	103.1	1,588,056	2.08	3.40	82.75	13.84	6.97	76.3	103.4
Minimum			103	1,125,362	0.2	2.8	59.8	11.4	7.0	76.3	79.5
Mean			225	1,946,321	1.2	3.4	67.2	13.7	9.1	110.0	126.4
Median			178	1,845,698	0.6	3.4	62.4	13.8	9.4	123.9	138.7
Maximum			434	2,918,080	3.2	3.6	82.8	16.2	9.9	147.2	171.1



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Valuation Summary (as of 9/30/2016)

Asset Size Index – Nationwide			Geographic Index		
	<u>Price/Book (%)</u>	<u>Price/Tangible Book (%)</u>		<u>Price/Book (%)</u>	<u>Price/Tangible Book (%)</u>
\$5B-\$10B	165.5	219.6	Mid-Atlantic	99.2	136.0
\$1B-\$5B	144.9	166.6	Midwest	152.8	190.1
\$500M-\$1B	112.8	119.4	New England	122.3	190.1
\$250M-\$500M	143.6	145.3	Southeast	92.3	129.5
< \$250M	NA	NA	Southwest	132.0	165.2
			Western	135.1	163.9

Interest Rate Scorecard

Financial Yields	September 30, 2016	1 Month	3 Month	6 Month	1 Year
		Prior	Prior	Prior	Prior
2 Year T Note	0.77	0.80	0.58	0.76	0.27
5 Year T Note	1.14	1.18	1.01	1.26	0.82
10 Year T Note	1.60	1.57	1.49	1.83	1.95
30 Year TBond	2.32	2.23	2.30	2.65	3.12
Prime Rate	3.50	3.50	3.50	3.50	3.25
3 Month LIBOR	0.85	0.84	0.65	0.63	0.47

Note:

Mid-Atlantic region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in DE, DC, MD, NJ, NY, PA, PR.
 Midwest region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in IA, IN, IL, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI.
 New England region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in CT, ME, MA, NH, RI, VT.
 Southeast region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in AL, AR, FL, GA, MS, NC, SC, TN, VA, WV.
 Southwest region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in CO, LA, NM, OK, TX, UT.
 Western region includes banks which trade on all Major Exchanges (NYSE, NYSE Amex, NASDAQ) headquartered in AZ, AK, CA, HI, ID, MT, NV, OR, WA, WY.





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Select Mergers and Acquisitions & Capital Raising News

❖ QCR Holdings Closes Acquisition of Ankeny, Iowa-based Community State Bank

September 1, 2016 – Moline, IL-based QCR Holdings Inc. completed the acquisition of Ankeny, IA-based Community State Bank from Van Diest Investment Co., paying \$80 million in cash. As of June 30, Community State Bank had \$571 million in assets, \$433 million in loans and \$481 million in deposits. QCR Holdings, meanwhile, had about \$2.68 billion in total assets at the end of June.

❖ AltaPacific Bancorp Buying Commerce Bank of Temecula Valley for \$15.9M

September 1, 2016 – Santa Rosa, CA-based AltaPacific Bancorp (\$356.8 million) agreed to purchase Murrieta, CA-based Commerce Bank of Temecula Valley (\$71.4 million) in a cash-and-stock transaction valued at about \$15.9 million. AltaPacific will acquire 100% of the outstanding shares of Commerce Bank in exchange for a mixture of cash and common shares of AltaPacific. On a per-share basis, the purchase price equates to 128.8% of book and tangible book, 5.1x earnings and last-12-months core earnings. The purchase price is also 26.62% of deposits and 22.03% of assets, while the tangible book premium-to-core deposits ratio is 7.12%. The one-day premium is 39.48%, based on Commerce Bank's closing price of \$7.50 on August 31.

❖ United Community Financial Picking Up Ohio Peer for \$40.3M

September 8, 2016 – Youngstown, OH-based United Community Financial Corp. is acquiring North Canton, OH-based Ohio Legacy Corp in a transaction valued at about \$40.3 million. Ohio Legacy common shareholders can opt to get either United Community shares or \$18 per share in cash for each Ohio Legacy common share they hold, or a mix of the two, subject to an overall 50% stock-and-50% cash structure. The purchase price equates to be 132.9% of book, 136.4% of tangible book, 31.6x earnings and 33.3x last-12-month core earnings, on a per-share basis. The purchase price also equates to 15.83% of deposits, 12.35% of assets and has a tangible book premium-to-core deposit ratio of 7.64%. Based on Ohio Legacy's closing price of \$12.50 on September 7 and of \$11.02 on August 8, the transaction has a one-day premium of 43.79% and a one-month premium of 63.10%. Ohio Legacy is the parent of Premier Bank & Trust, which has approximately \$320 million in total assets.

❖ First Mid-Illinois Bancshares Closes First Clover Leaf Acquisition

September 8, 2016 – In Illinois, Edwardsville-based First Clover Leaf Financial Corp. (\$665.3 million) was acquired by Mattoon-based First Mid-Illinois Bancshares Inc. (\$2.12 billion). First Mid-Illinois has entered into a credit agreement with Northern Trust Co., the proceeds of which will be used to finance the cash consideration. The conversion of First Clover Leaf Bank NA client accounts into First Mid-Illinois Bank & Trust NA is expected to occur in early 2017.

❖ Wisconsin Bank Transaction Valued at \$40.1M

September 13, 2016 – The merger of Wisconsin-based MCB Bankshares Inc. into Monona State Bank is valued at \$40.1 million, composed of 60% stock and 40% cash. The purchase price is subject to downward adjustment if shareholder equity falls below a certain amount. Based on its current level, however, a "large special dividend" is likely to be distributed instead. The merger is expected to close in the fourth quarter.

❖ Minnesota-based Currie State Bank to Buy First State Bank of Okabena

September 27, 2016 – Two Minnesota-based banks have agreed to merge. Currie State Bank (\$72.4 million) is acquiring First State Bank of Okabena (Inc.) (\$18.8 million), with the latter's sole branch becoming a Currie State branch post-transaction. The transaction's value was not disclosed. Currie State Bank is a subsidiary of Currie Bancorp. Inc., while First State Bank of Okabena is majority owned by Hartman Bancshares Inc. Upon the closing of the transaction, Currie Bancorp will enter Jackson County and be ranked eighth with a 5.75% share of approximately \$287.06 million in total market deposits.

❖ Bank M&A 2016 Deal Tracker – Volume Down YOY

September 23, 2016 – Through September 15, there were 173 transaction announcements in the banking sector with an aggregate disclosed transaction value of \$19.53 billion and a median price-to-tangible book ratio of 129.87%. The prior-year period saw 187 transaction announcements with an aggregate disclosed transaction value of \$13.3 billion and a median price-to-tangible book ratio of 136.16%.



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Select Industry News

❖ Multifamily Loan Delinquencies Continue to Decline

September 1, 2016 – Total multifamily loans at U.S. banks and thrifts rose 3.73% in the second quarter to \$365.20 billion, marking the 21st consecutive quarterly increase. A year prior, total multifamily loans stood at \$315.16 billion. As of June 30, delinquent multifamily loans fell to 0.34% of total multifamily loans, down from 0.38% in the first quarter and 0.48% in the year-ago quarter. The nation's largest multifamily lender, JPMorgan Chase & Co., added \$2.25 billion in multifamily loans in the second quarter, pushing its total portfolio to \$62.26 billion. Over the last year, JPMorgan has added \$7.80 billion in multifamily loans while its percentage of delinquent multifamily loans has fallen by almost half to 0.13%.

❖ HELOC Portfolios Shrink Again in Q2'16

September 1, 2016 – Portfolios of home equity loans and lines of credit at the largest U.S. banks shrunk again in the second quarter. The most recent quarter marked the 30th consecutive period of declines in home equity loans and lines of credit in the banking industry. The aggregate balance among U.S. banks and thrifts dropped 1.34%, or \$7.01 billion, to \$516.66 billion as of June 30. Through the first half of 2016, the biggest U.S. banks have seen their HELOC portfolios shrink because of an outsized base that has not been outpaced by new originations.

❖ Credit Unions A Growing Player in Student Loan Space

September 1, 2016 – The total amount of non-federally guaranteed student loans on credit union balance sheets more than tripled from \$1.03 billion in the first quarter of 2011 to \$3.65 billion at the end of the second quarter of 2016. Credit unions had 232,112 total private student loans on their books at the first quarter of 2011, but that number grew to 501,663 by the second quarter of 2016. Total delinquencies have predictably risen too, although the delinquency rate has come down in recent quarters. The total number of delinquent private student loans rose from 8,484 at the beginning of 2011 to nearly 27,000 by the end of 2013, before falling to slightly more than 15,000 by the second quarter of 2016. The delinquency rate sat at 2.20% in the most recent quarter after rising as high as 2.71% at the end of 2013.

❖ Undercapitalized Banks Down to 14 in Q2'16

September 9, 2016 – After a slight uptick in the first quarter, the number of undercapitalized banks and thrifts is back on the decline. Fourteen banks reported common equity Tier 1 ratios less than 4.5% as of June 30, 2016, compared to 17 in the first quarter. Of the 14 that were undercapitalized at June 30, one has failed, as of Sept. 2: Woodbury, Ga.-based Woodbury Banking Co., which was shuttered on Aug. 19. The bank reported a CET1 ratio of 1.59% for the second quarter. The number of banks in the FDIC's list of "problem" institutions fell to its lowest level in more than 7 years, to 147 from 165 in the first quarter.

❖ First Midwest Bank to Shut Down 16 Branches Post-Transaction

September 16, 2016 – Itasca, IL-based First Midwest Bank will be closing 16 branches after it completes its acquisition of Hickory Hills, IL-based Standard Bank and Trust Co. The First Midwest Bancorp Inc. subsidiary operates 114 branches, and the Standard Bancshares Inc. subsidiary operates 35 branches. Six of the total branches to close are branches of First Midwest Bank, while the remaining 10 are branches of Standard Bank and Trust. Twelve branches will be closed in Illinois: in Mokena, Morris, Oak Lawn, Palos Park, Plainfield, Lockport, Joliet, Orland Park, Oak Forest, Bolingbrook, North Riverside and New Lenox. Four branches will be closed in Indiana: in Highland, Merrillville, St. John and Hammond. The transaction is expected to close in late 2016 or early 2017. The 16 branches are not expected to be closed until 2017.

❖ Failed Banks, Class of 2016

September 27, 2016 – As of September 26, only five banks have failed in 2016. Since the beginning of 2013, only 55 banks or thrifts have failed, down significantly from the crisis-era peak of 157 failures in 2010 alone.

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