PUBLIC DISCLOSURE

July 30, 2001

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The State Bank of Jerseyville
RSSD# 363844

117-121 South State Street
Jerseyville, Illinois 62052-1850

Federal Reserve Bank of St. Louis
P.O. Box 442
St. Louis, Illinois 63166-0442

NOTE: **This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of the institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

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INSTITUTION'S CRA RATING: This institution is rated **OUTSTANDING**.

The State Bank of Jerseyville meets the criteria for an outstanding rating, based upon the performance evaluation of the bank's lending activity. The geographic distribution analysis reflects excellent dispersion throughout the bank's assessment area. Secondly, loan activity analysis reveals strong penetration among individuals of different income levels (including low- and moderate-income levels) and businesses and farms of different sizes. The bank's loan-to-deposit ratio is more than reasonable given the bank's size, financial condition and assessment area credit needs. Lastly, a substantial majority of the bank's loans and other lending related activities are in the bank's assessment area.

DESCRIPTION OF INSTITUTION

The bank is a wholly-owned subsidiary of Union Financial Group, LTD., a $365.9[1] million multi-bank holding company located in Swansea, Illinois, and is the smaller of two state member banks owned by the holding company. The bank currently operates three banking facilities including the main office in Jerseyville, Illinois, a branch facility in Jerseyville, Illinois, and a branch facility in Brighton, Illinois. While loan applications are not accepted at the Jerseyville branch, they are accepted at the Brighton branch, as well as the main branch.

As of March 31, 2001, the bank reported total assets of $174.6 million, with net loans and leases representing 76.1 percent of total assets. Approximately 39.1 percent of the bank's total loans consist of 1-4 family residential loans. The bank offers a variety of purchase money real estate loan products as well as open-end home equity lines of credit. Other significant loan categories in the bank's portfolio include commercial real estate loans, farmland loans, and commercial and industrial loans. The following table reflects the bank's loan mix in dollar volume as of March 31, 2001.

Distribution of Total Loans[2]		
Credit Product Type	**Amount in $000s**	**Percentage of Total Loans**
Construction and Development	$ 4,889	3.6%
Commercial Real Estate	$28,581	21.3%
Multifamily Residential	$ 1,090	0.8%
1-4 Family Residential	$52,610	39.1%
Commercial and Industrial	$14,271	10.6%
Farmland	$14,224	10.6%
Loans to Individuals	$ 8,409	6.3%
Farm Loans	$ 8,450	6.3%
Total Other Loans	$ 1,880	1.4%
Total Loans	**$134,404**	**100%**

[1] This figure is as of March 31, 2001.
[2] Total loan information is derived from gross loans and leases data as of March 31, 2001 on the Consolidated Report of Condition and Income.

As part of the CRA assessment, the performance of the bank was evaluated in relation to the performance of its competitors. Three financial institutions were identified as regional competitors with asset sizes ranging from $99.2 million to $386.7 million.

The bank received a satisfactory rating at its last CRA evaluation as of July 28, 1997.

DESCRIPTION OF ASSESSMENT AREA

The bank's assessment area is comprised of five full-contiguous counties in southwestern and central Illinois. Two of the counties, Jersey and Madison, contain geographies (census tracts) located in the St. Louis metropolitan statistical area (MSA). The remaining three counties are predominantly rural in nature and consist of non-MSA geographies (block numbering areas). The following table reflects the number and population of the geographies within the assessment area in each income category.

Assessment Area Geographical Information by Income Category					
1990 Census Data	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
Calhoun County	0	0	2	0	**2**
	0.0%	0.0%	100%	0.0%	**100%**
Greene County	0	1	4	0	**5**
	0.0%	20.0	80.0%	0.0%	**100%**
Jersey County	0	2	3	0	**5**
	0.0	20.0	80.0	0.0	**100%**
Macoupin County	0	0	13	0	**13**
	0.0%	0.0%	100%	0.0%	**100%**
Madison County	2	16	4	30	**52**[3]
	3.8%	30.8%	7.7%	57.7%	**100%**
TOTAL	**2**	**19**	**26**	**30**	**77**
	2.6%	**24.7%**	**33.8%**	**38.9%**	**100%**
Population	4,685	70,285	236,078	27,047	**338,095**
	1.4%	20.8%	69.8%	8.0%	**100%**

[3] One Madison County census tract, not reflected in this table, did not have any population as of the 1990 Census and, therefore, did not have an income classification.

While the vast majority of the assessment area geographies are considered middle-income[4] according to 1990 U.S. Census Bureau statistics, there are 19 moderate-income geographies located within these five counties, 4 of which are in the St. Louis MSA. In addition, there are 2 low-income census tracts in the assessment area. These census tracts are located in the southern most portion of the assessment area, which is in the St. Louis MSA. There are several financial institutions located in and around these census tracts that adequately service the population living in these census tracts. The bank does not have a branch in either of these census tracts. Additionally, the assessment area of the bank contains one census tract in Madison County, Illinois which, according to the 1990 U.S. Census Data, had no population. This particular census tract, located in Alton, Illinois, contains the Gordon Moore Park, the Spencer T. Olin Recreational Area, and a limestone quarry.

The income level of the BNAs are determined by the percentage of the individual BNA family income compared to the Illinois non-MSA median family income figure, using the definitions in footnote 4. Likewise, the income level of the census tracts is determined by comparing it to the St. Louis MSA median family income figure. Based on 1990 U.S. Census Bureau statistics, the median family income for the assessment area was $34,142. In comparison, the Illinois non-MSA median family income was $29,693, the St. Louis MSA median family income was $37,995, and the median family income for the state of Illinois was $38,664. These same figures for 2001 made available by the Department of Housing and Urban Development (HUD) indicate that the 2001 non-MSA median family income has increased to $44,900, and the 2001 St. Louis MSA median family income has increased to $60,400. The 2001 median family income for the state of Illinois has increased to $62,600.

Although the strong majority of the assessment area is comprised of middle- and upper-income geographies, low- and moderate-income (LMI) families are present throughout the entire assessment area. The following table depicts the income characteristics of the assessment area according to 1990 U.S. Census Bureau statistics.

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[4] Low-income is defined as individual income, or in the case of a geography, a median family income that is less than 50 percent of the MSA median family income or statewide non-metropolitan median family income.

Moderate-income is defined as individual income, or in the case of a geography, a median family income that is at least 50 percent and less than 80 percent of the MSA median family income or the statewide non-metropolitan median family income.

Middle-income is defined as individual income, or in the case of a geography, a median family income that is at least 80 percent and less than 120 percent of the MSA median family income or the statewide non-metropolitan median family income.

Upper-income is defined as individual income, or in the case of a geography, a median family income that is 120 percent or more of the MSA median family income or the statewide non-metropolitan median family income.

Assessment Area Family Population by Income Level					
1990 Census Data	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
Assessment Area	19,990	18,497	24,184	31,174	**93,845**
	21.3%	19.7%	25.8%	33.2%	**100%**
Non-MSA Illinois	100,548	94,347	119,841	191,252	**505,988**
	19.9%	18.6%	23.7%	37.8%	**100%**
St. Louis MSA	128,476	117,313	164,293	253,420	**663,502**
	19.4%	17.7%	24.8%	38.2%	**100%**

While the percentages in each income category differ slightly, the combined percentage of LMI families in the assessment area is consistent with the non-MSA Illinois and the St. Louis MSA percentages of LMI families.

An official from Jersey County was contacted to obtain information about the assessment area. The contact indicated that the local economy is doing well, and the overall outlook for continued growth and expansion in the assessment area is optimistic. According to this contact, the major industry in Jersey County is agriculture, and the major employers outside the agricultural industry are the various political subdivisions located within Jersey County.[5]

The contact identified many of the communities in Jersey County as bedroom communities. More than 40 percent of the Jersey County population travels to the Alton, Illinois or St. Louis, Missouri areas for employment. A large majority of this workforce chooses to shop and utilize the services available that are somewhat closer to their workplace resulting in fewer local opportunities remaining viable.

Recent Dun and Bradstreet data[6] indicate that the major industry employers in the assessment area include services, retail trade, and agriculture. These industries with employment levels at 37.0 percent, 18.1 percent, and 13.6 percent, respectively, account for 68.7 percent of the total employment in the assessment area. In addition, this data indicate that only 1.7 percent of the population is employed in public administration. Other significant industries in the area include finance, insurance, and real estate (9.0 percent) and construction (8.3 percent). Manufacturing jobs account for only 3.6 percent of the employment in the assessment area.

The following table lists the non-seasonally adjusted unemployment rate for each county in the assessment area, the St. Louis MSA, and the Illinois statewide figure for May 2001.[7]

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[5] This community contact only addressed the Jersey County, Illinois portion of the bank's assessment area.
[6] These statistics are derived from Business Geodemographic Data as of the year 2000, as reported by Dun and Bradstreet.
[7] Source: Bureau of Labor Statistics.

Geographic Area	Unemployment Rate
Calhoun County	5.0
Greene County	4.5
Jersey County	5.0
Macoupin County	5.1
Madison County	5.1
St. Louis MSA	3.8
Illinois Statewide	5.0

As the table illustrates, of the five counties represented in the assessment area, four have substantially the same unemployment rate for May 2001. While Greene County has a somewhat lower unemployment rate, all five counties reflect higher unemployment rates when compared to the St. Louis MSA; however, they are comparatively equivalent with the Illinois statewide unemployment figures.

As of 1990, the assessment area includes a total of 138,908 housing units, 67.7 percent of which are owner occupied. This percentage of owner-occupied housing units is consistent with the non-MSA Illinois and the St. Louis MSA owner-occupied housing percentages of 66.4 and 63.1 percent, respectively. Occupied rental units in the assessment area, as a percentage of the total housing units, are also similar when compared to the non-MSA Illinois and the St. Louis MSA percentages. Specifically, the percentage of occupied rental units is 27.0 percent in the assessment area, while the percentages for the non-MSA and the St. Louis MSA are 26.8 and 32.1 percent, respectively.

For the assessment area, the housing affordability ratio is 64.4 percent as of 1990 census data.[8] This is higher than the affordability ratio of 59.4 percent for non-MSA Illinois. When compared to the affordability ratio for the St. Louis MSA of 45.7, housing appears substantially more affordable in the bank's assessment area. The median gross rent for the assessment area also reflects greater affordability when compared to the St. Louis MSA, but not for non-MSA Illinois. Specifically, the median gross rent for the assessment area is $361, while the St. Louis MSA median gross rents were calculated at $414. The median gross rent for non-MSA Illinois is $300.

[8] The affordability ratio is calculated by dividing the median household income ($28,466) by the median housing value ($44,185) and represents the amount of single family owner-occupied housing that a dollar of income can purchase for the median household in the geography. Values closer to 100 percent indicate greater affordability.

CONCLUSIONS WITH RESPECT TO THE PERFORMANCE TESTS

The bank's performance was evaluated using the CRA small bank performance standards. Loan information was taken from data reported under the Home Mortgage Disclosure Act (HMDA) for the year 2000 and HMDA data collected, but not yet reported, for year-to-date 2001. Statistical samples were chosen from the consumer automobile, small business, and small farm lending activities of the bank during the first six months of 2001. An analysis of the bank's most recent financial data and discussions with bank management indicated that these four loan categories represented the bank's major product lines and, therefore, would be most reflective of the bank's lending performance with respect to each of the small bank performance standards.

The performance standards evaluate:

- The geographic distribution of loans within the bank's assessment area;
- The distribution of loans by borrower income and businesses and farms of different sizes;
- The bank' s average loan-to-deposit ratio;
- The level of lending within the assessment area; and
- A review of any written complaints.

The remaining sections of this evaluation are based upon analyses of the bank's lending performance under these five performance criteria.

<u>Geographic Distribution</u>

As noted in the description of the assessment area, the bank's assessment area contains 2 low-income geographies, 19 moderate-income geographies, 54 middle-income geographies, 4 upper-income geographies, and 1 geography that does not contain any population. The following table illustrates the distribution of the bank's loan activity across these geographies.

Distribution of Loans (Number and Dollar Volume in $000s) Inside Assessment Area by Income Level of Geography					
Loan Type	**Geography Income Classification**				**TOTAL**
	Low-	**Moderate-**	**Middle-**	**Upper-**	
HMDA	0 0.0%	141 23.2%	460 75.7%	7 1.2%	**608** **100%**
	$0 0.0%	$7,057 19.8%	$27,675 77.8%	$846 2.4%	**$35,578** **100%**
Automobile	0 0.0%	37 34.9%	69 65.1%	0 0.0%	**106** **100%**
	$0 0.0%	$349 36.8%	$600 63.2%	$0 0.0%	**$949** **100%**
TOTAL	**0** **0.0%**	**178** **24.9%**	**529** **74.1%**	**7** **1.0%**	714 100%
	$0 **0.0%**	**$7,406** **20.3%**	**$28,275** **77.4%**	**$846** **2.3%**	$36,527 100%
Owner Occupied Housing	0.8%	17.9%	72.8%	8.5%	**100%**
Population	1.4%	20.8%	69.8%	8.0%	**100%**

The analysis of HMDA loans reflects favorably upon the bank's lending performance under the CRA. The bank's penetration of HMDA reportable loans in this assessment area to LMI geographies represents 23.2 percent of HMDA lending by number. In comparison, 18.7 percent of the owner-occupied housing units are located in LMI tracts and 22.2 percent of the assessment area population. The bank's lending performance also compares favorably to 1999 HMDA Aggregate Data[9] for the assessment area, which indicate only 17.0 percent of all HMDA loans originated to applicants inside the bank's assessment area, were made to applicants residing in LMI geographies. Although the bank has no lending in low-income geographies, one low-income geography has no population, and owner-occupied housing in the other low-income geography is less than 1.0 percent of the assessment area housing.

[9] HMDA Aggregate Data represent all lending activity required to be collected and reported under the HMDA, for all financial institutions that report such data (less the subject bank).

Similarly, the consumer automobile loan activity reflects favorably upon the bank's performance under the CRA. The bank originated 34.9 percent of consumer automobile loans to individuals residing in LMI geographies, which is higher than the population percentage of 22.2 percent. As previously stated, the bank has no loan activity in the two low-income geographies, only one of which has population and represents only 1.4 percent of the assessment area population. Consequently, the geographic distribution of loans based upon these two consumer loan categories reflects excellent dispersion throughout the assessment area.

As with the two consumer loan categories, the bank's geographic distribution of agricultural loans was also reviewed. The following table displays the results of this review, along with estimated percentages of agricultural operations located in each geographic income category, used for comparison.

Distribution of Loans (Number and Dollar Volume in $000s) Inside Assessment Area by Income Level of Geography

Loan Type	Geography Income Classification				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Agricultural Loans	0 0.0%	24 26.1%	64 69.6%	4 4.3%	**92** **100%**
	$ 0 0.0%	$ 934 17.6%	$ 3,803 71.7%	$ 568 10.7%	**$ 5,305** **100%**
Agricultural Operations[10]	0.0%	7.9%	88.2%	3.8%	**100%**

Analysis of the agricultural lending activity revealed lending performance superior to data used for comparison purposes. As displayed in the table, most of the bank's agricultural lending activity occurred in middle-income geographies, along with a significant portion of lending in moderate-income geographies. This performance level exceeds business geodemographic data, which estimate that the strong majority of all agricultural operations are located in middle-income geographies. Further, the bank's lending performance appears strong in light of market performance for the assessment area. The 2000 CRA Aggregate Data[11] indicate that 5.6 percent of all small farm loans made within the assessment area were located in LMI geographies. Based on this analysis, the bank's geographic distribution of agricultural lending demonstrates an excellent dispersion throughout the assessment area.

[10] These statistics are derived from Business Geodemographic Data as of the year 2000, as reported by Dun and Bradstreet.
[11] CRA Aggregate Data represent all lending activity required to be collected and reported under the CRA, for all financial institutions that report such data (less the subject bank).

Similar to the agricultural loan activity analysis, the bank's geographic distribution of small business loans was also reviewed. The following table displays the results of this review, along with estimated percentages of small businesses entities located in each geographic income category, used for comparison.

Distribution of Loans (Number and Dollar Volume in $000s) Inside Assessment Area by Income Level of Geography					
Loan Type	Geography Income Classification				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Business Loans	0 0.0%	26 29.6%	61 69.3%	1 1.1%	**88** **100%**
	$0 0.0%	$1,201 30.5%	$2,734 69.4%	$2 0.1%	**$3,937** **100%**
Business Entities[12]	1.3%	20.5%	69.9%	8.3%	**100%**

Analysis of the small business lending activity revealed lending performance superior to data used for comparison purposes. As displayed in the table, most of the bank's small business lending activity occurred in middle-income geographies, along with a significant portion of lending in moderate-income geographies. This performance level compares very favorably to business geodemographic data, which estimate that the majority of all small businesses are located in middle-income geographies. Further, the bank's lending performance appears strong in light of market performance for the assessment area. The 2000 CRA Aggregate Data indicate that 18.1 percent of all small business loans made within the assessment area were located in LMI geographies. Based on this analysis, the bank's geographic distribution of small business lending demonstrates an excellent dispersion throughout the assessment area.

Lastly, the analysis of loan activity from all four loan types revealed that the bank had loan activity in 36 of 77 assessment area geographies (46.8 percent). Similarly, the bank had loan activity in 47.6 percent of LMI assessment area geographies, which is slightly higher than the bank's penetration ratio of 46.4 percent to middle- and upper-income geographies. Consequently, the geographic distribution of loans, based on activity from all four loan categories, reflects excellent dispersion throughout the assessment area and exceeds the standard for satisfactory performance under this performance criterion.

[12] These statistics are derived from Business Geodemographic Data as of the year 2000, as reported by Dun and Bradstreet.

Lending to Borrowers of Different Income Levels and to Businesses and Farms of Different Sizes

Lending to borrowers of different incomes reflects the distribution of sampled loans inside the assessment area by the applicant's income, which was used in determining creditworthiness. Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing borrower income levels against HUD's adjusted median family income levels for the years 2000 and 2001. For loans originated in non-MSA geographies, borrower income levels were compared to the HUD adjusted 2000 non-MSA median family income and the HUD 2001 estimated non-MSA median family income figures of $43,600 and $44,900, respectively. For those loans originated in the St. Louis MSA geographies, borrower income levels were compared to the HUD adjusted 2000 and 2001 St. Louis MSA median family income figures of $56,500 and $60,400, respectively.

As one measure of performance, lending levels to each classification of borrowers, particularly LMI borrowers, were compared to the percentage of assessment area families within each income classification. The following table illustrates the penetration of sampled 1-4 family residential real estate and automobile loans among borrowers of different income levels.

Distribution of Loans (Number and Dollar Volume in $000s) Inside Assessment Area by Income Level of Borrower

Loan Type	Borrower Income Classification				TOTAL
	Low-	Moderate-	Middle-	Upper-	
HMDA	110 18.9%	165 28.4%	184 31.7%	122 21.0%	**581**[13] **100%**
	$ 4,641 13.8%	$ 8,541 25.4%	$11,119 33.1%	$ 9,289 27.7%	**$33,590** **100%**
Automobile	45 42.5%	24 22.6%	18 17.0%	19 17.9%	**106** **100%**
	$336 35.4%	$213 22.4%	$153 16.1%	$247 26.0%	**$949** **100%**
TOTAL	**155** **22.6%**	**189** **27.5%**	**202** **29.4%**	**141** **20.5%**	**687** **100%**
	$ 4,977 **14.4%**	**$ 8,754** **25.3%**	**$11,272** **32.6%**	**$ 9,536** **27.6%**	**$34,539** **100%**
Assessment Area Family Population	21.3%	19.7%	25.8%	33.2%	100%
HMDA Aggregate	12.1%	24.7%	29.9%	33.3%	100%

[13] Of the 608 HMDA loans originated in 2000 and during the first six months of 2001 that were within the assessment area, 27 did not have income information available and, therefore, are not included in this distribution.

As the previous table depicts, the bank made a large percentage of both its HMDA and consumer automobile loans to LMI borrowers. The borrower distribution of HMDA reportable loans within the assessment area reflects that 47.3 percent by number (39.2 percent by dollar volume) were made to LMI borrowers. In comparison, the 1999 HMDA aggregate mortgage data reflecting the lending performance of all lenders making loans in the bank's assessment area, showed that 36.8 percent of all HMDA loans originated within the assessment area were to LMI borrowers. Finally, when the bank's performance is compared to the percentage of LMI families residing within the assessment area of 41.0 percent, the bank's distribution of HMDA loans to LMI borrowers is excellent.

The bank made an even higher percentage of the number of automobile loans sampled within the assessment area to LMI borrowers at 65.1 percent (57.8 percent by dollar volume). When both consumer loan categories are combined, the bank originated 50.1 of the number of loans (39.7 percent by dollar volume) to LMI borrowers. Given the population of LMI families residing within the assessment area, the distribution of loans sampled reflects an excellent level of penetration to borrowers of different income levels, particularly LMI borrowers.

Next, the bank's distributions of small business and small farm loans[14] were analyzed. In order to determine how well the bank performed in each of these loan categories, comparisons were made to 2000 CRA Aggregate Data and Dun and Bradstreet data.

The bank's distribution of small business loans to businesses of different sizes[15] reflects exceptional performance. The following table reflects the distribution of small business loans by gross annual revenue and loan amount.

Lending Distribution by Business Revenue Level				
Gross Revenue	**Loan Origination Amount (in $000s)**			**TOTAL**
	£$100	**>$100£$250**	**>$250£$1,000**	
$1 Million or Less	75 90.4%	8 9.6%	0 0.0%	**83** **100%**
Greater Than $1 Million	3 60.0%	1 20.0%	1 20.0%	**5** **100%**
TOTAL	**78** **88.6%**	**9** **10.2%**	**1** **1.1%**	**88** **100%**

As illustrated in the table above, the bank originated 94.3 (83 of 88) percent of the small business loans sampled within the assessment area to small businesses. Year 2000

[14] Small business loans are business loans in amounts less than or equal to $1 million. Small farm loans are loans made to farms in amounts less than or equal to $500,000.
[15] Small businesses and small farms are defined as entities with gross annual revenues of less than or equal to $1 million.

aggregate CRA Data indicate 46.3 percent of the small business loans reported within the assessment area were made to small businesses. For further comparison, recent Dun and Bradstreet data demonstrate that 89.1 percent of the reporting business establishments within the assessment area are considered small businesses.

In addition, 90.4 percent (75 of 83) of the loans to small businesses were in amounts of $100,000 or less. This reflects both the relative size of businesses in the area and the bank's willingness to meet small business credit needs. When the above comparisons are considered, the bank's excellent performance with respect to small business lending is evident.

Finally, an analysis of the bank's record of agricultural lending also demonstrated an excellent penetration among farms of different sizes. The following table reflects the distribution of small farm loans by gross annual revenue and loan amount.

Lending Distribution by Farm Revenue Level

Gross Revenue	Loan Origination Amount (in $000s)			TOTAL
	£$100	**>$100£$250**	**>$250£$500**	
$1 Million or Less	78 86.7%	11 12.2%	1 1.1%	**90** **100%**
Greater Than $1 Million	2 100%	0 0.0%	0 0.0%	**2** **100%**
TOTAL	**80** **87.0%**	**11** **12.0%**	**1** **1.1%**	**92** **100%**

The above table reflects that 97.8 percent of the bank's small farm loans were originated to small farms (90 of 92). In comparison, Aggregate 2000 CRA Data indicate that 95.2 percent of the small farm loans originated within the assessment area were to small farms. For further comparison, recent Dun and Bradstreet data indicate that 99.6 percent of the reporting farms located in the assessment area are considered small farms. In addition, 86.7 percent of the bank's small farm loans were in amounts less than or equal to $100,000. This indicates a willingness to meet small farm credit needs.

Overall, based upon lending activity from the four loan types reviewed, the bank's lending record demonstrates an excellent penetration among consumers of different income levels and to businesses and farms of different sizes.

Loan-to-Deposit Ratio

An indication of the bank's overall level of lending activity is the loan-to-deposit (LTD) ratio. For the previous 14 quarters (December 31, 1997 through March 31, 2001), the bank has maintained an average LTD ratio of 88.6 percent. In comparison, the average LTD ratios of three local competitors ranged from 62.9 percent to 83.2 percent, as indicated in the following table.

Loan-to-Deposit Ratio Analysis			
Name	**Asset Size in $000s**[16]	**Headquarters**	**Average LTD Ratio**
The State Bank of Jerseyville	$174.6	Jersey County	88.6%
Competitors	$99.2	Jersey County	62.9%
	$386.7	Jersey County	81.6%
	$104.0	Jersey County	83.2%

The bank's LTD ratio is higher than those of three local competitors. The bank's average LTD ratio has increased since the last CRA evaluation from an average ratio of 75.4 percent to 88.6 percent. An analysis of the quarterly LTD ratio illustrates an increase in the ratio during 1997, a slight decrease in the ratio during 1998, and a steady increase in the ratio during 1999 that stabilized during 2000, where it has remained during 2001.

As illustrated by the preceding table, the three local competitors used for comparison maintain their headquarters in Jersey County. However, one of the competitor banks is significantly larger in asset size, and two of the competitor banks have expanded into the Alton, Illinois market, a heavily populated metropolitan area that is part of the St. Louis MSA. While The State Bank of Jerseyville is also headquartered in Jersey County, it tends to focus resources in the more rural (and less densely populated) contiguous counties surrounding Jersey County. Given these circumstances, the bank's LTD ratio is excellent.

[16] Total asset size as of March 31, 2001.

Lending in the Assessment Area

A review of the sample of loans originated by the bank revealed a substantial majority of loans originated to borrowers within the assessment area. The following table identifies, by loan type, the number, dollar volume and percentage of loans originated inside the assessment area.

Distribution of Lending Inside Assessment Area					
Loan Type	**Number in Assessment Area**		**Dollar Amount (in $000s) in Assessment Area**		**Total Number/Dollars**
HMDA	608	98.7%	$35,578	98.8%	**616 $36,003**
Automobile	106	98.1%	$949	99.2%	**108 $957**
Small Business	88	92.6%	$3,937	76.3%	**95 $5,157**
Small Farm	92	100.0%	$5,305	100.0%	**92 $5,305**
TOTAL	**894**	**98.1%**	**$45,769**	**96.5%**	**911 $47,422**

Overall, of the 911 loans sampled, 894, or 98.1 percent, were located within the assessment area. By dollar volume, almost $45.8 million (96.5 percent) was located within the assessment area. The bank's performance in this category is exceptional and exceeds the performance expectations for this criterion.

Review of Complaints

No CRA related complaints were received for this institution during the time frame used for this evaluation (July 28, 1997 through July 30, 2001).

Additional Information

Concurrent to this analysis under the CRA, a limited monitoring review covering Regulation B (Equal Credit Opportunity) and the Fair Housing Act was performed. The review reaffirmed findings from the Consumer Affairs Examination conducted on July 24, 2000, indicating that the bank is in compliance with the substantive provisions of the antidiscrimination laws and regulations.

APPENDIX A

The State Bank of Jerseyville Assessment Area Geographies			
County	**Geography Number**	**Geography Income Category**	**MSA**
Calhoun	9512.00-9513.00	Middle	No
Greene	9736.00-9738.00	Middle	No
Greene	9739.00	Moderate	No
Greene	9740.00	Middle	No
Jersey	0102.00-0104.00	Middle	Yes
Jersey	0101.00	Moderate	Yes
Jersey	0105.00	Moderate	Yes
Macoupin	9560.00-9572.00	Middle	No
Madison	4001.01	Middle	Yes
Madison	4001.02	Moderate	Yes
Madison	4002.00-4004.00	Moderate	Yes
Madison	4005.00	Low	Yes
Madison	4006.00	Moderate	Yes
Madison	4007.00	Low	Yes
Madison	4008.01-4008.02	Middle	Yes
Madison	4009.01	Middle	Yes
Madison	4009.03	Moderate	Yes
Madison	4009.04-4009.05	Middle	Yes
Madison	4010.00	Moderate	Yes
Madison	4011.00-4012.00	Middle	Yes
Madison	4013.00	Moderate	Yes
Madison	4014.00-4015.00	Middle	Yes
Madison	4016.00	N/A	Yes
Madison	4017.01	Moderate	Yes
Madison	4017.02	Middle	Yes
Madison	4018.00	Middle	Yes
Madison	4019.01	Upper	Yes
Madison	4019.02	Middle	Yes
Madison	4020.00	Middle	Yes
Madison	4021.00-4022.00	Moderate	Yes
Madison	4023.00	Middle	Yes
Madison	4024.00-4026.00	Moderate	Yes
Madison	4027.01	Middle	Yes
Madison	4027.02	Upper	Yes
Madison	4028.01-4028.03	Middle	Yes
Madison	4029.00	Middle	Yes
Madison	4030.01-4030.02	Middle	Yes
Madison	4031.01	Moderate	Yes
Madison	4031.02	Upper	Yes
Madison	4032.00	Middle	Yes
Madison	4033.00	Moderate	Yes
Madison	4034.00	Middle	Yes
Madison	4035.01	Upper	Yes
Madison	4035.02-4035.03	Middle	Yes
Madison	4036.00-4037.00	Middle	Yes
Madison	4038.01-4038.02	Middle	Yes