



BankChampaign
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Pursuing the margin of excellence

Michael Markstahler enjoys bringing ideas to reality. For more than 25 years, he's renovated forgotten buildings and houses into viable business spaces and single-family homes. Along the way, he's earned a national reputation for the quality of his pioneering efforts to preserve both older structures and neighborhoods.

After earning a bachelor's degree in liberal arts at the University of Illinois, Michael's ideas centered on new programs for community building and reducing societal violence. But when social services funding experienced cuts in the early 1980s, a different brand of reality hit home.

"I knew I needed to change fields," he said. "So I went back to my family's roots as master builders and furniture makers. I'd learned carpentry skills when I was 14 and had always worked for my dad in the summers during high school."

A lifelong Champaign resident, Michael got in touch with contacts from those days and soon had established a small business specializing in quality building and renovation projects. Within five years, he knew he wanted to also focus on renovation ventures of his own. He bought the dilapidated former Gregory School at the corner of Columbia and Randolph Streets, planning to create a unique set of apartments.



Business customer Michael Markstahler (right) with senior vice president Steve Little (left) in front of the Uptown on Columbia residential development in downtown Champaign.

The purchase gave him a first-time experience with acquiring financing for a project—and a large one at that.

"Most everyone thought the building should just be torn down, but I saw its potential," Michael said. "To this day, I still enjoy letting a building speak to me about what it wants to be."

Convincing others of the potential was another story. But as Champaign began urban redevelopment efforts, it received special grant funds for which the Gregory School project qualified.

Once the project was completed, it became clear the type of renovations Michael envisioned and was capable of achieving.

"I got the redevelopment itch at that point," he said. "I started thinking about the Sesquicentennial Neighborhood and began tackling more renovations in that area, eventually completing 43 family residences." His

most recent renewal projects include the downtown Champaign buildings housing Escobar's Restaurant and the B. Lime store (which also include second floor lofts), as well as Uptown on Columbia, a residential development near the intersection of Columbia and Hickory Streets.

In the late 1990s, he found BankChampaign and a team who share both his entrepreneurial spirit and his love of the Champaign-Urbana community.

"BankChampaign always carefully evaluates my ideas and questions, along with my track record," Michael said. "They have always been a working partner with my loan needs. Steve Little, Dean Clausen and the whole business lending team work long and hard to bring a good idea to reality," he added.

After all, that's a trait Michael can really appreciate.



Letter from the President

All communities need entrepreneurs with the long-range vision to imagine and plan great ideas, and then to partner with others to turn that vision into the kind of real opportunities that benefit the community. In fact, all of us at BankChampaign focus on this concept every day. That's why it's such a pleasure to work with other leading business people to create this kind of vitality.

To excel, these entrepreneurs call on all facets of business acumen, including an excellent understanding of fulfilling a business niche. Our feature on Michael Markstahler in this issue of *The Neil Street Journal* emphasizes the role that Michael's strategic planning has played not only in his success, but also in the revitalization of downtown Champaign.

His pioneering efforts, first with saving houses in the Sesquicentennial Neighborhood, and more recently, with renovating former warehouse and storefront spaces into distinctive residential and commercial properties, speak to the pluses of taking the long view.

We understand because this is our community, too. As we open our third location in Champaign, we have a renewed appreciation for the infinite potential of our city, particularly the downtown area. All of us at BankChampaign look forward to meeting new entrepreneurs and to helping jump-start their plans for the future.

L. Dean Claussen
President

Straight talk on factors influencing investing

If you're looking for an informed perspective on how the economy, the dollar's strength, global markets and other factors are affecting investment markets, Executive Vice President Mark Ballard's Investment Strategies Blog may be just the source.



You can read Mark's posts by going to <http://investmentblog.bankchampaign.com/>, plus you can receive notice of his new Blog entries by clicking the maroon "Subscribe" button on that page.

It's one more way we're helping to make sense of the numerous factors that influence the financial markets and our clients' investments today. It also demonstrates our depth of understanding of those factors as we position or reposition our clients' portfolios.

BankChampaign

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Plan now for 2010 travel fun



Reserve your place by January 4 for the Saturday, January 9 screening (1 p.m.) of the Alfred Hitchcock classic, *To Catch a Thief*, at the bank. It's the perfect event to start thinking about our September 8-15, 2010 trip to the French Riviera, which we'll preview Tuesday, March 9 at 5:30 p.m.

The weekend of February 5-6, we'll take a trip to Oakbrook for dinner and a performance of *Funny Girl* at Drury Lane Theater. We'll stay overnight at the Hilton Garden Inn at Oakbrook Terrace, right next door to the theater, and spend Saturday at Oakbrook Center until we head home at 3 p.m. Reservation deadline is December 8; call Melodie at 351-2870 for full details.

Then, join us for a Southern California and Vegas adventure from May 13-21, including visits to San Diego, Palm Springs and Las Vegas. Make your reservation soon; the deadline is December 13.

Now open in M2 on Neil



Our new branch office on the first floor of the M2 building at the corner of Neil and Main Streets in downtown Champaign opened November 2 with six full-time and two part-time staff members to serve you. Assistant Vice President Sharon Armstrong, a member of the bank since 2006, is branch manager. Charlie Osborne, who holds series 6, 63, 65 and 7 licenses, and has been with the bank since 2007, is Investment Management Officer. Kay Machula serves as Business Development Officer.

All of these professionals look forward to helping you with full service banking, including walk-up teller service, a 24-hour walk-up ATM and a night depository.

The lobby will be open from 8 a.m. to 5 p.m. Monday through Friday, as well as from 8 a.m. to noon Saturdays. Walk-up service will be available from 7 to 8 a.m. and from 5 to 7 p.m. weekdays. Phone number is 351-2877.

More resources for small businesses

To complement our in-house resources, BankChampaign has partnered with Bigg Success, a business education and consulting company based in Champaign, to provide assistance with start-ups, ongoing funding and capital, personnel, and sales and marketing for small business owners and entrepreneurs.

We captured the great information from our first seminar in a podcast, available at www.bankchampaign.com/Seminars.htm and we have plans for more small business seminars and podcasts in the future. If you'd like to be notified of upcoming seminars, you can also sign up at this same webpage.



Growing to better serve you

We're pleased to welcome Kay Machula, Marlena Moore and Meg Pittman to BankChampaign.



Kay is the new Business Development Officer, and will have an office in our new M2 branch. Since joining the bank in mid-July, she's been meeting with

individuals and small businesses to let them know about the full range of personal and commercial services available at BankChampaign. A native of LeRoy, she served 21 years as General Manager and Vice President for UpClose Marketing & Printing in Champaign. Kay is an active volunteer with several not-for-profit organizations in our community, including the Champaign County YMCA, Champaign County Chamber of Commerce and Champaign Rotary.



Marlena joined us in late June as a Retail Banking Officer at our main bank on South Neil Street, with responsibility for opening and manag-

ing personal and business accounts. Along with providing account and rate information, Marlena also assists customers with other services such as online banking, debit cards and savings bonds. She has 25 years of experience in the banking industry, most recently as a Licensed Financial Consultant with National City Bank. A native of Sidell, Marlena resides in Champaign.



Meg returned to BankChampaign in September as a Mortgage Loan Originator, a position she held from 1985-1996. During the past 13 years, she served

in similar roles at National City Bank and at Summit First Financial. Originally from Oak Lawn, she is a graduate of the University of Illinois and the Real Estate Lending School. A Mahomet resident, she is an affiliate member of the Champaign County Association of Realtors.

Understanding the advantages of a Trust: Issues in selecting a Trustee



*By John Clausen,
Vice President of
Wealth Management,
BankChampaign*

Many individuals create a Trust to take advantage of the management expertise of the potential Trustee, so it's important that the Trustee's qualifications match what is expected.

The role of a Trustee is fiduciary in nature, meaning that the Trustee must act *at all times* only for the *exclusive benefit of all* Trust beneficiaries. If he or she does not, personal liability may result. The responsibilities of a Trustee include: 1) compliance with legal issues; 2) properly investing trust assets; 3) decision making (specifically in making distributions of income and principal in light of the needs of the beneficiaries); and 4) accounting and record-keeping duties.

Some of the qualities to look for in selecting a Trustee include: 1)

personality traits such as integrity, honesty, confidentiality; 2) the requisite knowledge base and experience necessary to be an effective manager and custodian; 3) time availability to properly handle the various issues and complexities of a Trust; 4) administrative capabilities for record-keeping responsibilities; and 5) costs and fees charged to the Trust.

Given the various fiduciary responsibilities, a common question centers on who can best serve in the role of Trustee. Many times, first thoughts turn to family members, who are familiar with the grantor, his or her intentions and the issues affecting the family. Relatives are also frequently willing to serve at little or no cost.

All of these advantages are often overshadowed by the pitfalls of a family member acting in a fiduciary role. The family member may lack the requisite expertise to serve in such a capacity. If the Trustee reaches out to organizations who do have expertise (particularly in investing and accounting),

the cost savings from selecting the family Trustee may be negated. The family member may lack impartiality, especially when confronted with making discretionary decisions regarding distributions to family members who may be exerting pressure on the Trustee. If the family member Trustee is also a beneficiary, this can exacerbate problems.

Selection of a professional Trustee, such as a bank or trust company, may help alleviate some of these issues. Professional Trustees are impartial and are well versed in Trust administration, investment management and taxation. As such, the costs incurred are often worthwhile to the grantor and the beneficiaries.

For information about Trust services offered by BankChampaign, please contact John Clausen at jclausen@bankchampaign.com or at 351-2870.

Main Bank 2101 South Neil • 217.351.2870
MarketPlace Facility 5 Convenience Center • 217.351.2876
M2 on Neil Facility 301 North Neil • 217.351.2877



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