

## LETTER FROM OUR CEO

MICHAEL F. BENDER



With 2018 under our belts, I am happy to say that we have had another year of substantial growth. Our total assets

exceeded our forecast reaching just over \$663MM. The bank's earnings for 2018 finished on target at \$3.8MM.

Our lenders have been hard at work this year. The bank has once again made an appearance on the SBA national ranking list, coming in at 43rd in approved loans. We have a strong outlook for 2019.

We became a part of the Clayton skyline this past Spring when we celebrated the opening of our newest branch. The building's sleek, modern renovations have garnered a lot of attention in the area.

### Congratulations to these Exceptional Employees!

**2018 Employee of the Year**

**Brad Pitlyk**

**Recent Employees of the Month:**

**Zelee Norrenberns  
Suzanne Matthews  
Donna Reynolds  
Anthony Reed**

### Mark Your Calendar:

**The Easter Bunny will visit with kids at our Festus location on Good Friday, April 19th from noon to 6pm. As always, we give a free printed photo and candy to each child who comes to visit him.**

**Our Mobile Banking App is in development and will bring a new level of convenience to our retail customers. It's scheduled to go live by May 1st.**



# MIDWEST

REGIONAL BANK

## UGLY IN OTTERVILLE

The staff in Otterville decided to participate in celebrating National Ugly Sweater Day and host a contest among employees on December 21, 2018. After brainstorming, it was decided to take it a step further. Each employee selected a local civic or nonprofit group to represent. We then went out and met with this group and their members to encourage them to come to the bank on the 21st and vote for that employee representing their group. Some groups sent out social media posts to all members or announced it at their monthly meeting. The group represented by the winning employee would receive a small donation from the bank, so there was added incentive for them to help get the word out. The point was to have a little fun, share time with our customers outside the bank, and raise awareness for each organization as they are all deserving and in constant need of additional funds this time of year.



The turnout on December 21 was outstanding and a great example of how rooted our employees truly are here in our community. We're not just a business located here in Otterville, we are part of the community. Plans are already underway for next year's event. Stay tuned!

## TEXAS UPDATES

**Dallas** -- 2018 was a great year for the Dallas SBA office. We ended the year in the top 20 lenders in the North Texas district and will be receiving a special recognition award from the SBA district office for our part in community outreach and providing much needed SBA loans to our area. We've added 3 new BDO's to start off 2019 bringing our production office to a total of 8 lenders in the Dallas office and we anticipate an even better 2019.

**Houston** -- Houston just finished up three tough years between 2015 and 2017, a period of virtually no growth despite the strong U.S. economic expansion. The slowdown was entirely attributable to a major setback in oil markets. The collapse in oil prices began in late 2014 and resulted the worst oil bust in a generation. One

in four energy jobs in the region was lost. Oil is considered a sort of 'governor' in the Houston economic machine, helping to regulate the rate of growth. When oil prices are low, the local economy will grow at a slower rate; when prices are high Houston will grow at a faster clip. Oil prices dipped back near \$50 per barrel in recent weeks, but it seems likely that \$60 can still prevail into 2019. The Energy Department is forecasting crude to average \$65 per barrel next year. Most oil producers and other suppliers to the oil industry have proven they can make a small profit at \$52-55/barrel, hence \$65 will allow for growth in the industry. The Houston economic outlook for 2019 is steady growth ahead. The growth we see right now is primarily in the medical and construction industries.

**Laredo** -- Laredo handles 51.5% of all US - Mexico trade. The US - Mexico border areas had slow growth in 2018, with the exception of McAllen. Trade sectors suffered along the border as losses in Brownsville and McAllen held growth to 1.9 and 2.1 percent, respectively. Laredo gained jobs in professional/business services but struggled to counteract losses in retail trade and education/health services. The announcement of the new agreement between the U.S., Mexico, and Canada at the end of September supported a positive trade outlook. We are seeing transportation businesses pickup in growth on the back of this new trade agreement.

**Austin** -- Austin is on track for more phenomenal growth. The only thing holding Austin back is its labor shortage. Austin unemployment is 2.7%, a ten year low for Austin. The Apple and Amazon announcements have added to the already vigorous growth even though we won't see the Apple Campus adding employees for 3 years. These two monster companies elevated the city's already high profile as a trendy place to do business. While San Francisco leads the list (in technology), Austin is right behind with having a similar tech job mix to Silicon Valley. Austin looks to continue to grow in this sector. Local economic development councils are busy touting the region as the software and computer industry's place to be.

Midwest Regional Bank is positioned to be able to help these industries with our team's strong experience. We have lenders based in Dallas, Houston, Austin, and Laredo & The Valley to help businesses grow in these communities and throughout the great state of Texas.

THE BANK OF TRADITION AND PROGRESS.



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**ARNOLD**

1913 Richardson Rd  
Arnold, MO 63010  
(636) 232-0070

**CHESTERFIELD**

17290 N Outer 40 Rd  
Chesterfield, MO 63005  
(636) 534-8433

**CLAYTON**

135 N Meramec Ave  
Clayton, MO 63105  
(314) 338-7912

**FESTUS**

363 Festus Centre Drive  
Festus, MO 63028  
(636) 937-5351

**KIRKWOOD**

10840 Manchester Rd  
Kirkwood, MO 63122  
(314) 394-6060

**OTTERVILLE**

211 East Grover Street  
Otterville, MO 65348  
(660) 366-4321

**SUNSET HILLS**

11860 Gravois Road  
Sunset Hills, MO 63127  
(314) 394-4900

**FLORIDA SERVING NEW AREAS**

Midwest Regional Bank's Small Business Administration guaranteed commercial loan footprint in Florida continues to expand. We have Business Development Officers located in Pinellas, Tampa, Sarasota, Orlando and West Palm Beach. Miami/South Florida continues to generate substantial business, and in and the past year, we've stretched our territories to serve the panhandle and Jacksonville areas. 2019 has started off strong, even with the delay caused by the government shutdown. Current production and a growing pipeline promise continued year over year growth.

**NEW CC RELATIONSHIP**

In early 2018, Creve Coeur SBA Lender Mayur Thulasidas (Das) met with Mike Steinmann of HITS Scanning, who held an SBA note with another bank. He was not happy with his banking relationship and trusted MWRBank when he decided to restructure his acquisition debt. The underwriting process was smooth and swift, and we were able to fund \$1,982,000 along with a working capital line of \$250,000 embedded in that facility. MWRBank earned his trust and was awarded the banking relationship including the company's Deposit Accounts, Treasury Management Suite and Remote Scanning. Additionally, we have set up their affiliates with banking resources and will be providing the financing for their Real Estate Acquisition in mid 2019.

**SUNSET HILLS FINANCING**

The Sunset Hills office continues to offer a loyal relationship banking with the experience to handle financing needs for mergers & acquisitions, purchase of real estate, purchase of equipment, working capital lines of credit, debt restructuring, or other financing needs.

**CHESTERFIELD OPENING**

Our valued customer Theresa Downey started her journey of owning her own restaurant right here at Midwest Regional Bank. We met Terry when she called in and spoke with Assistant VP Commercial Lender Kevin Martin regarding her desire to own her own restaurant. Since then she has been working hard to make her dream come alive and making sure we were a part of it every step of the way. January 2, 2019 her hard work finally paid off, Nina's Place is officially open and ready for business! Terry is a wonderful person and we love to see her success grow! For more information you can find her on Facebook @Nina's or we hope you can stop by to say hello and try her delicious breakfast, brunch and cocktails. Located at 3752 Monticello Plaza, O'Fallon Mo 63304.



**SERVING THE COMMUNITY**

The Clayton office is actively invested in building community in the area. Retail Manager Brandon Schmiedeke is a committed volunteer with the nonprofit Missouri Kids Unplugged whose mission is to help children experience life outdoors away from electronics. Area President Sanford Scott serves on the board for Provident, an organization that works to create mentally healthy communities through accessible behavioral health services. Vice-President Brad McLaury is on the Board of Directors of the Clayton Chamber of Commerce, dedicating his service to help develop businesses and relationships in the City of Clayton. We're proud to serve our city and happy to have the bank's support!

