

## Midland States Bancorp, Inc. Agrees to Acquire Heartland Bank

Written by Australian Business

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EFFINGHAM, Ill.--( [BUSINESS WIRE](#) )--Midland States Bancorp, Inc., parent of Midland States Bank, headquartered in Effingham, Illinois, has agreed to acquire Heartland Bank and its subsidiaries from Love Savings Holding Company, parent company of Heartland Bank.

Heartland Bank, headquartered in St. Louis, Missouri, had assets of approximately \$793.5 million as of June 30, 2013. Heartland Bank operates 11 locations in the St. Louis metropolitan area, and single locations in Branson, Joplin and Springfield, Missouri, and Denver, Colorado. In addition to its community banking operations, which includes one of the largest residential mortgage origination programs in the St. Louis area, Heartland Bank also provides commercial equipment leasing and FHA/HUD multifamily and senior/health care facility financing through its Heartland Business Credit and Love Funding Corporation subsidiaries. Heartland also operates Heartland Bank Direct, a nationwide online bank.

Jack Schultz, Chairman of Midland States Bancorp, Inc., said, "We expect this transaction to be very powerful for our shareholders as well as for our ability to serve the St. Louis market. We entered the St. Louis market approximately 10 years ago and have experienced steady growth. The addition of the Heartland Bank locations and personnel will expedite this growth in a significant way. And the Midland board is very pleased that we will have three new directors from the St. Louis area, including Andy Love and Larry Schiffer, the co-CEOs of Love Savings Holding Company, joining our board, bringing to five the total number of St. Louis directors on the Midland board, counting Jeff Smith and Rick Ramos, who are current directors at Midland."

Andrew S. Love, Chairman and co-CEO of Love Savings Holding Corporation, stated, "We have watched Midland's growth for some time, as well as their commitment to the St. Louis area through such projects as the Peabody Opera House and the St. Louis Equity Fund, of which Heartland Bank is also a member. Midland has built the type of platform that we believe is going to be essential for the future of community banking, and we believe this is the right time to join our financial service businesses together into one organization with greater strength than either has by itself. We are particularly gratified that both the personnel and the shareholders/owners of Heartland Bank, Heartland Business Credit and Love Funding Corporation can continue as these businesses build on their past years of success to develop further as part of a larger and stronger combined organization. This transaction should benefit our customers, employees and shareholders alike."

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Laurence A. Schiffer, President and co-CEO of Love Savings, said, “Heartland Bank has several strong businesses that we have carefully built over the past twenty years or so, including its residential mortgage origination, business leasing and FHA multifamily and healthcare financing businesses. Bringing these together under a larger organization is something we have been looking at for some time, and are pleased to have found what we believe to be the right partner in Midland.”

This will be Midland’s ninth acquisition, and its seventh bank acquisition, since 2007. Earlier this year Midland acquired Grant Park Bancshares, in Grant Park, Illinois, and also acquired the Settlement Trust Group of Securant Bank & Trust in Milwaukee, Wisconsin.

Leon J. Holschbach, President and CEO of Midland States Bancorp, Inc., commented, “These two organizations joining together is a natural progression for each. Both are 125+ year old community banks run by entrepreneurial management teams providing a variety of products and services beyond the traditional community banking model. We entered the St. Louis market based on its vibrancy and sharing the same Midwestern values as our Illinois markets. The addition of 11 new locations in the St. Louis MSA will allow us to meet the needs of more families and businesses in that part of our market. And the fact that Dave Minton will continue running these locations after the closing, while Mark Dellonte and Larry White, the presidents of Love Funding Corporation and Heartland Business Credit, will continue running those businesses after the closing, provides the continued leadership we look for as part of our acquisition strategy.”

The agreement provides for Midland to merge Heartland Bank into Midland States Bank and operate the acquired branches under the Midland brand. The acquisition will increase the total number of Midland States Bank locations to 48, including 31 locations in Illinois, 15 in Missouri and one each in Wisconsin and Colorado.

Following the acquisition, Midland will also operate Heartland Business Credit, which is headquartered in Denver, Colorado, and Love Funding Corporation, which is headquartered in Washington, DC and has offices in 11 other states across the U.S.

The transaction is subject to customary conditions and regulatory approvals and is expected to close in the first quarter of 2014.

### **About Midland States Bancorp, Inc.**

Midland States Bancorp, Inc. is a community-based financial holding company headquartered in Effingham, Illinois, and is the sole shareholder of Midland States Bank. Midland States Bank is rated “5 Stars” by Bauer Financial, a rating reserved for only the strongest financial institutions in the U.S., and was rated one the fastest growing financial services companies by Inc 500/5000 in “Fastest Growing Private Companies” in 2011. It has current assets of approximately \$1.7 billion and Midland Wealth Management has assets under administration of more than \$1.0 billion. Established in 1881, Midland States Bank remains a locally owned and operated community bank, providing a full range of commercial and consumer banking products, trust and investment management, insurance, and financial planning services. As a community banking institution, Midland States Bank prides itself on establishing and maintaining relationships with its customers and is committed to serving the financial needs of the communities it serves. For additional information, visit [www.midlandsb.com](http://www.midlandsb.com).

### **About Love Savings Holding Company**

Love Savings Holding Company is a St. Louis-based investment holding company with origins dating back to 1887. In addition to Heartland Bank and its subsidiaries, Heartland Business Credit and Love Funding, additional Love Company entities include Allegro Senior Living, which specializes in the development and management of luxury retirement communities; Love Management Company, Inc., a commercial and residential property management, leasing and tenant representation company; and Love Hotel Management Company, a hospitality management company that provides operational, sales and marketing, food and beverage and revenue management for hospitality properties. For more information see [www.heartland-bank.com](http://www.heartland-bank.com) and [www.heartlandbankdirect.com](http://www.heartlandbankdirect.com).