

## Recovery Done Right: Chicago Bank Helps Business



Reporting

[Vince Gerasole](#)

CHICAGO (CBS) —

Many Americans are frustrated by the economic recovery so far. The government set aside \$700 billion for banks, yet credit still seems tight.

The money that was meant to again open up credit for businesses and consumers is often referred to as TARP funds, which stands for Troubled Asset Relief Program.

And even though it's not necessarily as widespread as some would hope, CBS 2's Vince Gerasole reports some banks are helping the local economy, just as the government hoped they would.

Hot tamales have turned into good business for Isidro Martinez.

"We started making in the house, in my basement," Martinez, of Isidro's Tamales, said. "I got two kids and I show all kids how to make tamales."

Last fall, as Washington approved billions in rescue funds, he went to a New York-based national bank for an expansion loan and was turned down.

"You have your dream you think go up and they tell you 'no' and they send you back again," Martinez said.

Chicago's smaller MB Financial Bank said yes, in part, according to managers, because local banks may have a better understanding of the area's economy.

"They may not have seen the heart of the leadership of this company," said MB Financial Bank Executive Vice President Thomas Fitzgibbon.

TARP funds didn't directly give MB more money to help Martinez, but they did make a difference.

"Basically it's a confidence factor, the confidence to continue to do what we've always done," Fitzgibbon said.

One hundred percent of every government dollar that went to a bank wasn't expected to be turned into a loan, but it was supposed to help banks solve their internal financial problems, so at least some of that money could be loaned out to main street America.

CBS 2 found evidence that some banks are lending by examining the increase in loan totals of some smaller local institutions for the last quarter of 2008.

Park National, which received \$100 million from the government, loaned out \$248 million. Marquette

Bank received \$35 million, and extended \$15 million in last-quarter credit. And MB Financial, which received \$196 million, registered \$132 million in increased business.

It was a key ingredient helping Martinez realize his expansion dreams.

The Obama Administration has now renamed TARP, including it in its overall financial stability plan.

Any way you look at it, there are many more businessmen like Martinez out there still waiting to feel its benefits.

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**\* Check out Tommy on the CBS video at**

**<http://cbs2chicago.com/topstories/economic.recovery.plan.2.945558.html>**