Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [X] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
HOMETOWN COMMUNITY BANCORP, INC. EMPLOYEE STOCK OWNERSHIP PLAN & TRUST

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 12/24/1979

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

HOMETOWN COMMUNITY BANCORP, INC.

721 WEST JACKSON STREET
MORTON, IL 61550

2b Employer Identification Number (EIN) 37-1432723

2c Sponsor's telephone number 309-266-5337

2d Business code (see instructions) 522110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	11/19/2012	TAMMY WENDLAND
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
HOMETOWN COMMUNITY BANCORP, INC.

721 WEST JACKSON STREET
MORTON, IL 61550

3b Administrator's EIN
37-1432723

3c Administrator's telephone number
309-266-5337

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	406
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	382
b	Retired or separated participants receiving benefits	**6b**	8
c	Other retired or separated participants entitled to future benefits	**6c**	26
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	416
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	1
f	Total. Add lines **6d** and **6e**	**6f**	417
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	402
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	21
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2H 2P 2Q 3I

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)		0	**A** (Insurance Information)
(4)	X		**C** (Service Provider Information)
(5)			**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2011** **This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan	**B** Three-digit plan number (PN) ▶	
HOMETOWN COMMUNITY BANCORP, INC. EMPLOYEE STOCK OWNERSHIP PLAN & TRUST		002
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
HOMETOWN COMMUNITY BANCORP, INC.	37-1432723	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CLIFTON GUNDERSON LLP

301 SW ADAMS ST
PEORIA, IL 61656

37-0802863

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	15255	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

TRANSITION FINANCE SERVICES

154 HANSEN ROAD
SUITE 102
CHARLOTTESVILLE, VA 22911

13-4238973

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15	NONE	13400	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

ENTERPRISE SOLUTIONS INC

355 AUSTIN CIRCLE
DELAFIELD, WI 53018

39-1763393

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
34	NONE	6250	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

STOUT RISIUS ROSS, INC.

4000 TOWN CENTER
20TH FLOOR
SOUTHFIELD, MI 48075

38-3003685

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
34	NONE	5096	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
HOMETOWN COMMUNITY BANCORP, INC. EMPLOYEE STOCK OWNERSHIP PLAN & TRUST

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
HOMETOWN COMMUNITY BANCORP, INC.

D Employer Identification Number (EIN)
37-1432723

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	1	1
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	26946
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	0	17858
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	3339270	8023848
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	90132228	93447906
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	93471499	101516559
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	16495132	14863464
k Total liabilities (add all amounts in lines 1g through1j)	1k	16495132	14863464
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	76976367	86653095

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	2126946	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2126946
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	48399	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		48399
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	6709443	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		6709443
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	3360240	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		3360240
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		12245028
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1675101	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1675101
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		850511
i Administrative expenses: (1) Professional fees	2i(1)	29288	
(2) Contract administrator fees	2i(2)	13400	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		42688
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2568300
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		9676728
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unqualified (2) [ ] Qualified (3) [ ] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: CLIFTONLARSONALLEN LLP (2) EIN: 41-0746749

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) **4a**		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) **4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) **4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) **4d**		X	
e	Was this plan covered by a fidelity bond? **4e**	X		10000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? **4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? **4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? **4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) **4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) **4j**	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? **4k**		X	
l	Has the plan failed to provide any benefit when due under the plan? **4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) **4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. **4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
HOMETOWN COMMUNITY BANCORP, INC. EMPLOYEE STOCK OWNERSHIP PLAN & TRUST

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
HOMETOWN COMMUNITY BANCORP, INC.

D Employer Identification Number (EIN)
37-1432723

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 44562

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 37-1432723

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☒ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☒ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☒ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☒ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

HOMETOWN COMMUNITY BANCORP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

December 31, 2011 and 2010



CliftonLarsonAllen

HOMETOWN COMMUNITY BANCORP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

TABLE OF CONTENTS

PAGE

INDEPENDENT AUDITOR'S REPORT 1

FINANCIAL STATEMENTS

Statements of Net Assets Available for Benefits 2
Statements of Changes in Net Assets Available for Benefits 3

Notes to Financial Statements 4

SUPPLEMENTAL SCHEDULES 16

Schedule H, Line 4i - Schedule of Assets (Held at End of Year) 17
Schedule H, Line 4j - Schedule of Reportable Transactions 18

CliftonLarsonAllen LLP
301 SW Adams Street, Suite 900, PO Box 1835
Peoria, IL 61656-1835
309-671-4500 | fax 309-671-4508
www.cliftonlarsonallen.com

Independent Auditor's Report

To the Trustees of
Hometown Community Bancorp, Inc.
Employee Stock Ownership Plan and Trust
Morton, Illinois

We have audited the accompanying statements of net assets available for benefits of Hometown Community Bancorp, Inc. Employee Stock Ownership Plan and Trust (the "Plan") as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Hometown Community Bancorp, Inc. Employee Stock Ownership Plan and Trust as of December 31, 2011 and 2010, and the changes in its net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental schedules are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

CliftonLarsonAllen LLP

Peoria, Illinois
November 15, 2012

HOMETOWN COMMUNITY BANCORP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2011 and 2010

	2011			2010		
	Allocated	**Unallocated**	**Total**	**Allocated**	**Unallocated**	**Total**
ASSETS						
Nonparticipant directed:						
Investments at fair value:						
Hometown Community Bancorp, Inc. common shares	$ 76,321,115	$ 17,126,791	$ 93,447,906	$ 71,697,318	$ 18,434,910	$ 90,132,228
Interest-bearing deposits	7,659,715	-	7,659,715	2,679,438	-	2,679,438
Cash	1	-	1	1	-	1
Contributions receivable	44,804	-	44,804	-	-	-
Total nonparticipant directed	84,025,635	17,126,791	101,152,426	74,376,757	18,434,910	92,811,667
Participant directed:						
Investments at fair value:						
Certificates of deposit	364,133	-	364,133	659,832	-	659,832
Total participant directed	364,133	-	364,133	659,832	-	659,832
Total assets	84,389,768	17,126,791	101,516,559	75,036,589	18,434,910	93,471,499
LIABILITIES						
Interest payable	-	103,987	103,987	-	38,886	38,886
Notes payable	-	14,759,477	14,759,477	-	16,456,246	16,456,246
Total liabilities	-	14,863,464	14,863,464	-	16,495,132	16,495,132
NET ASSETS AVAILABLE FOR BENEFITS	$ 84,389,768	$ 2,263,327	$ 86,653,095	$ 75,036,589	$ 1,939,778	$ 76,976,367

The accompanying notes are an integral part of the financial statements.

HOMETOWN COMMUNITY BANCORP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year Ended December 31, 2011 and 2010

	2011			2010		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
ADDITIONS TO NET ASSETS ATTRIBUTED TO						
Investments income:						
Net unrealized appreciation in fair value of investments	$ 2,672,625	$ 687,615	$ 3,360,240	$ 6,299,307	$ 1,476,952	$ 7,776,259
Distributions on Company shares	5,303,676	1,405,767	6,709,443	6,036,910	758,851	6,795,761
Interest	48,399	-	48,399	127,921	-	127,921
Employer contributions	1,050,533	1,076,413	2,126,946	2,599,523	145,477	2,745,000
Participant rollovers	-	-	-	420,101	-	420,101
Allocation of 27,286 shares of Hometown Community Bancorp, Inc. stock, at fair value	1,995,735	-	1,995,735	543,720	-	543,720
Total additions	11,070,968	3,169,795	14,240,763	16,027,482	2,381,280	18,408,762
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO						
Distributions to participants	1,675,101	-	1,675,101	6,974,947	-	6,974,947
Interest expense	-	850,511	850,511	-	391,283	391,283
Administrative expense	42,688	-	42,688	-	-	-
Allocation of 27,286 shares of Hometown Community Bancorp, Inc. stock, at fair value	-	1,995,735	1,995,735	-	543,720	543,720
Allocation of 229 shares of acquired institution from payoff of ESOP loan	-	1,995,735	1,995,735	15,833	-	15,833
Total deductions	1,717,789	2,846,246	4,564,035	6,990,780	935,003	7,925,783
NET INCREASE	9,353,179	323,549	9,676,728	9,036,702	1,446,277	10,482,979
NET ASSETS AVAILABLE FOR BENEFITS						
Beginning of year	75,036,589	1,939,778	76,976,367	65,999,887	493,501	66,493,388
End of year	$ 84,389,768	$ 2,263,327	$ 86,653,095	$ 75,036,589	$ 1,939,778	$ 76,976,367

The accompanying notes are an integral part of the financial statements.

HOMETOWN COMMUNITY BANCORP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2011 and 2010

NOTE 1 - PLAN DESCRIPTION AND BASIS OF PRESENTATION

The following brief description of the Hometown Community Bancorp, Inc. Employee Stock Ownership Plan and Trust (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for complete information.

General

The Plan was established on January 1, 1979. The Plan operates as a leveraged employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (Code) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

The Plan purchases Hometown Community Bancorp, Inc. ("Company") common shares using either dividend distributions or the proceeds of a bank borrowing guaranteed by the Company, and holds the stock in a trust established under the Plan. The borrowing is to be repaid by Company contributions to the trust fund. As the Plan makes each payment of principal, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the Code. Shares vest fully upon allocation.

The borrowing will be collateralized by the unallocated shares of stock and will be guaranteed by the Company. The lender has no rights against shares once they are allocated under the ESOP. Accordingly, the financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to:

a) the accounts of employees with vested rights in allocated stock (Allocated) and

b) stock not yet allocated to employees (Unallocated).

Eligibility

Employees of the Company and its participating subsidiaries are generally eligible to participate in the Plan after attaining the age of 21, and after one year of service providing they worked at least 1,000 hours during such plan year. Participants who do not have at least 1,000 hours of service during such plan year or are not employed on the last working day of a plan year are generally not eligible for an allocation of Company contributions for such year.

NOTE 1 - PLAN DESCRIPTION AND BASIS OF PRESENTATION (CONTINUED)

Contributions

Contributions to the Plan are based upon contribution provisions included in the plan agreement. The Company's contributions may be paid in cash or in shares of stock, as determined by the Company's Board of Directors. However, the combination of Company cash contributions and cash distributions on Company stock must annually be at an amount at least equal to the current principal and interest payments due on any outstanding loans. Employees are not permitted to make contributions under the Plan.

Participant Accounts and Forfeitures

Separate employee stock accounts and cash accounts have been established to record the participants' interests under the Plan. Employee stock accounts maintained under the Plan are credited as follows:

A. Allocable shares of the Company's stock (including fractional shares) purchased and paid for by the trust are allocated at the end of each plan year.

B. Forfeitures of the Company's stock caused by participants leaving the Company prior to the time when their accounts are fully vested are allocated at the end of each plan year.

Forfeitures of terminated participants' nonvested account balances allocated to remaining participants at December 31, 2011 and 2010 were $72,876 and $1,928, respectively.

Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation. Allocations of Company contributions and plan forfeitures are based on a participant's eligible compensation, relative to total eligible compensation for the Plan year.

The other plan assets are held in an investment/cash account for plan participants and are maintained and credited (or debited) in a similar fashion. Plan earnings are allocated to each participant's account based on the ratio of the participant's beginning of the year account balances to all participants' beginning of the year account balances.

Voting Rights

On most corporate matters, the Trustee votes the Company stock in the Plan as directed by the Plan Administrator. With respect to certain corporate issues, participants are entitled to vote the shares of the Company stock allocated to their accounts.

NOTE 1 - PLAN DESCRIPTION AND BASIS OF PRESENTATION (CONTINUED)

Vesting

Vesting in a participant account is based on years of continuous service. A participant is 100 percent vested after six years of credited service in accordance with the following table:

Less than 2 years	0%
2 years but less than 3	20%
3 years but less than 4	40%
4 years but less than 5	60%
5 years but less than 6	80%
6 years or more	100%

Plan Termination

Although there is no intent to do so, the Company reserves the right to discontinue contributions and terminate the Plan subject to the provisions set forth in the Plan terms, the Code, and ERISA. Upon termination, participants will be immediately vested in the full value of their accounts.

Payment of Benefits

A participant is entitled to benefits from the Plan upon attainment of normal retirement age (65), death, disability while working for the Company, or depending upon the number of years of service, if the participant terminates employment for other reasons.

On termination of service, a participant may elect to receive a lump sum amount equal to their vested account balance, direct rollover to another qualified retirement plan or individual retirement account (IRA), or installment payments for a specified number of years. Distributions will be in the form of whole shares of the Company's stock or cash. However, the Company has the right to make distributions in cash in lieu of Company stock since the Company has elected S corporation status. All fractional shares will be paid in cash.

Put Option

Under federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

NOTE 1 - PLAN DESCRIPTION AND BASIS OF PRESENTATION (CONTINUED)

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company stock into investments that are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25 percent of the number of post-1986 shares allocated to his or her account and direct the investment thereof among investment options (other than Company stock) offered by the Plan. In the sixth year, the percentage changes to 50 percent.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared on the accrual method of accounting.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Cash and cash equivalents and deposits at other financial institutions are carried at cost.

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for a discussion of fair value measurements.

Distribution income is accrued on the ex-distribution date.

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Risks and Uncertainties

The Plan primarily invests in Company stock. This investment security is exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with this investment security and the level of uncertainty related to changes in the value of the security, it is at least reasonably possible that changes in the value of the security will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits and participants' individual account balances.

Administrative Expenses

In 2011, certain administrative expenses were paid by the Plan sponsor. In 2010, the Company paid all costs incurred in the administration of the Plan.

Payment of Benefits

Benefit payments are recorded when paid.

NOTE 3 - NOTES PAYABLE

On December 23, 2009, Hometown Community Bancorp, Inc., the Plan sponsor, entered into a $7,000,000 term loan agreement with Quad City Bank and Trust Company. Collateral for the loan consists of all outstanding shares of common stock of Morton Community Bank, a subsidiary of Hometown Community Bancorp, Inc. The loan bears interest at a rate of 5.25 percent per annum and will mature on December 23, 2012. Interest and principal in the amount of $226,082 is payable quarterly commencing March 23, 2010. The agreement also requires the maintenance of certain financial ratios by Morton Community Bank. The proceeds of this loan were used to loan money to the Plan. The Plan entered into a $7,000,020 term loan agreement with Hometown Community Bancorp, Inc. on December 23, 2009. The loan is unsecured and has the same note terms as the Plan sponsor's loan for the maturity date, interest rate, and payment schedule. The proceeds of the loan were used to purchase 116,667 shares of Company stock.

NOTE 3 - NOTES PAYABLE (CONTINUED)

On December 10, 2010, Hometown Community Bancorp, Inc., entered into an additional $10,000,000 term loan agreement with Quad City Bank and Trust Company. Collateral for the loan consists of all outstanding shares of common stock of Morton Community Bank, a subsidiary of Hometown Community Bancorp, Inc. The loan bears interest at a rate of 5.375 percent per annum and will mature on December 10, 2013. The agreement also requires the maintenance of certain financial ratios by Morton Community Bank. The proceeds of this loan were used to loan money to the Plan. The Plan entered into a $9,999,990 term loan agreement with Hometown Community Bancorp, Inc., on December 27, 2010. The loan is unsecured and has the same terms as the Plan Sponsor's loan for the maturity date, interest rate, and payment schedule. The proceeds of the loan were used to purchase 153,846 shares of Company stock.

During Mark 2012, Hometown Community Bancorp, Inc. paid off its outstanding obligations for the two loan agreements with Quad City Bank and Trust Company. As a result, there are no required maintenance of certain financial rates by Morton Community Bank. In addition, this transaction did not impact the Plan's loan agreement and terms with the Plan Sponsor.

Maturities at December 31, 2011 are as follows:

2012	$ 6,350,925
2013	8,408,552
Total	$ 14,759,477

NOTE 4 - INVESTMENTS

The following tables present the fair values of the Plan's investments that represent 5 percent or more of the Plan's net assets as of December 31, 2011 and 2010:

	2011		
	Allocated	**Unallocated**	**Total**
Hometown Community Bancorp, Inc. common shares:			
Number of shares	1,043,493	234,165	1,277,658
Cost	$ 51,174,857	$ 13,810,610	$ 64,985,467
Estimated fair value	$ 76,321,115	$ 17,126,791	$ 93,447,906
Interest-bearing deposits	$ 7,659,715	$ -	$ 7,659,715

NOTE 4 - INVESTMENTS (CONTINUED)

	2010		
	Allocated	**Unallocated**	**Total**
Hometown Community Bancorp, Inc. common shares:			
Number of shares	1,016,839	261,451	1,278,290
Cost	$45,247,952	$14,412,151	$59,660,103
Estimated fair value	$71,697,318	$18,434,910	$90,132,228

The Plan's investments, including gains and losses on investments bought and sold as well as held during the year, appreciated in value as of December 31 as follows:

	2011	**2010**
Unrealized appreciation in fair value in Company shares	$ 3,360,240	$ 7,776,259
Total	$ 3,360,240	$ 7,776,259

NOTE 5 - FAIR VALUE MEASUREMENTS

GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under GAAP are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

NOTE 5 - FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets:
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for certain assets measured at fair value.

Interest-bearing deposits and certificates of deposit: Valued at cost basis, which approximates fair value.

Common shares of Hometown Community Bancorp, Inc.: Valued at estimated fair value as of the last day of the plan year, as determined by an independent appraisal firm. This appraisal was based on a minority basis using a combination of market and income valuation techniques consistent with prior years. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, and market comparables.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE 5 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables set forth by level, within the fair value hierarchy, certain Plan assets at fair value as of December 31, 2011 and 2010.

	Assets at Fair Value as of December 31, 2011			
	Level 1	**Level 2**	**Level 3**	**Total**
Hometown Community Bancorp, Inc. common shares	$ -	$ -	$ 93,447,906	$ 93,447,906
Interest-bearing deposits and certificates of deposit	8,023,848	-	-	8,023,848
Total assets at fair value	$ 8,023,848	$ -	$ 93,447,906	$101,471,754

	Assets at Fair Value as of December 31, 2010			
	Level 1	**Level 2**	**Level 3**	**Total**
Hometown Community Bancorp, Inc. common shares	$ -	$ -	$ 90,132,228	$ 90,132,228
Interest-bearing deposits and certificates of deposit	3,339,270	-	-	3,339,270
Total assets at fair value	$ 3,339,270	$ -	$ 90,132,228	$ 93,471,498

The table below sets forth a summary of changes in the fair value of the Plan's level 3 assets (Hometown Community Bancorp, Inc. common shares) for the years ended December 31:

	2011	**2010**
Balance, beginning of year	$ 90,132,228	$ 67,191,571
Net unrealized appreciation relating to shares still held at the reporting date	3,360,240	7,776,259
Purchases	-	15,485,898
Stock distributions	(44,562)	(321,500)
Balance, end of year	$ 93,447,906	$ 90,132,228

NOTE 5 - FAIR VALUE MEASUREMENTS (CONTINUED)

Fair value is best determined based upon quoted market prices. However, in many instances, there are no quoted market prices for the Plan's various financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument. GAAP excludes certain financial instruments and all nonfinancial instruments from its disclosure requirements. Accordingly, the aggregate fair value amounts presented may not necessarily represent the underlying fair value of the Plan. The following methods and assumptions were used by the Plan in estimating fair values of other financial instruments:

Notes Payable: The fair value of the notes payable are assumed to approximate carrying value based on the fact that the interest rates and terms are comparable to current market rates for those same terms.

The estimated fair values of the Plan's financial instruments were as follows:

	December 31, 2011		December 31, 2010	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets:				
Cash and interest-bearing deposits	$ 7,659,716	$ 7,659,716	$ 2,679,439	$ 2,679,439
Certificates of deposit	364,133	364,133	659,832	659,832
Hometown Bancorp, Inc. Common Stock	93,447,906	93,447,906	90,132,228	90,132,228
Financial liabilities:				
Notes Payable	14,759,477	14,759,477	16,456,246	16,456,246

NOTE 6 - TAX STATUS

The Internal Revenue Service has determined and informed the Company, by a letter dated May 22, 2002, that the Plan is qualified and the trust established under the Plan is tax-exempt, under the applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

GAAP requires Plan management to evaluate tax positions taken by the Plan. The effects of an uncertain tax position are recognized in the financial statements when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011 and 2010, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2008.

NOTE 7 - ADMINISTRATION OF PLAN ASSETS

The Plan's assets, which consist principally of Company common shares, are held by the Trustees of the Plan.

Company contributions are held and managed by the Trustees, which invest cash received, interest, and dividend income and make distributions to participants. The Trustees also administer the payment of interest and principal on any outstanding loans, which is reimbursed to the Trustees through contributions as determined by the Company.

Certain administrative functions are performed by officers or employees of the Company or its subsidiaries. No such officer or employee receives compensation from the Plan. Administrative expenses for the Trustees' fees are paid directly by the Company.

NOTE 8 - CHANGE IN PLAN ADMINISTRATION

The Plan changed Plan administrators during 2012 to Blue Ridge ESOP Associates, third party administrator ("TPA"). The TPA will provide all Plan and participant accounting and administration going forward. The TPA also verified participant allocations for 2011.

NOTE 9 - TRANSFER OF ASSETS

On April 7, 2010, Hometown Community Bancorp, Inc. acquired TSB Financial, Inc. In conjunction with this acquisition, the balances of TSB Employee Benefit Plan participants were rolled into the Hometown Community Bancorp, Inc. Employee Stock Ownership Plan. Such balances amounted to $420,101.

NOTE 10 - SUBSEQUENT EVENTS

Management evaluated subsequent events through November 15, 2012, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

HOMETOWN COMMUNITY BANCORP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2011

Name of Plan Sponsor: Hometown Community Bancorp, Inc.
Employer Identification Number: 37-1432723
Three-Digit Plan Number: 002

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Hometown Community Bancorp Inc.	Common shares, 1,277,658 shares	$64,985,467	$ 93,447,906
	Bank of Farmington	Certificates of deposit, 05/21/12, 2.20%	**	155,032
	CEFCU	Certificates of deposit, 04/29/13, 2.67%	**	209,101
*	Morton Community Bank	Checking account	1	1
*	Morton Community Bank	Money Market	7,659,715	7,659,715
			$72,645,183	$101,471,755

* Denotes party-in-interest, as defined by ERISA.
** Not applicable for participant-directed investments.

HOMETOWN COMMUNITY BANCORP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
December 31, 2011

Name of Plan Sponsor: Hometown Community Bancorp, Inc.
Employer Identification Number: 37-1432723
Three-Digit Plan Number: 002

(a) Identity of Party Involved	(b) Description of Asset (Include Interest Rate and Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred With Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Morton Community Bank	Money Market	$ 5,376,205	$ 359,928	$ -	$ -	$ -	$ -	$ -

Schedule H, Line 4j
Schedule of Reportable Transactions

Name of Employer: ► Hometown Community Bancorp, Inc.
Employer Identification Number (EIN): ► 34-1432723 Three-digit plan number: ► 002
For the plan year beginning/ending: ► 01/01/2011 - 12/31/2011

(a) Identity of party involved	**(b)**Description of asset (include interest rate and maturity in case of a loan)	**(c)** Purchase Price	**(d)** Selling price	**(e)** Lease rental	**(f)** Expense incurred with transaction	**(g)** Cost of asset	**(h)** Current value of asset on transaction date	**(i)** Net gain or (loss)
Morton Community Bank	Money Market	5,376,205	359,928	-	-	-	-	-

Schedule H, Line 4i
Schedule of Assets (Held At End of Year)

Name of Plan:

► Hometown Community Bancorp, Inc. Employee Stock Ownership Plan and Trust

Employer Identification Number:► 37-1432723

For plan year (beginning/ending):► 01/01/2011 - 12/31/11 Plan number:► 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	Hometown Community Bancorp, Inc.	1,277,658 shares of Common Stock	64,985,467	93,447,906
*	Morton Community Bank	Money Market	7,659,715	7,659,715
*	Morton Community Bank	Checking Account	1	1
	Bank of Farmington	CD, 05/21/12, 2.20%		155,032
	CEFCU	CD, 04/29/13, 2.67%		209,101