SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2000

OR

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______ to ________

Commission file number: 000-25927

MACATAWA BANK CORPORATION
(Exact name of issuer as specified in its charter)

MICHIGAN	38-3391345
(State of other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

51 E. Main Street, Zeeland, Michigan 49464
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (616) 748-9491

Check whether the issuer: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes __X__ No _____

The number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 3,588,565 shares of the Company's Common Stock (no par value) were outstanding as of August 4, 2000.

Transitional Small Business Disclosure Format (check one): Yes_____ No___X___

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Part I Financial Information

MACATAWA BANK CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
As of June 30, 2000 (unaudited) and December 31, 1999

<TABLE>

	June 30, 2000	December 31, 1999
	(Unaudited)	
<S>	<C>	<C>
ASSETS		
Cash and due from banks	$ 22,353,486	$ 20,554,039
Securities available for sale, at fair value	36,059,497	28,281,375
Federal Home Loan Bank Stock	2,312,000	2,312,000
Total loans	346,954,741	285,374,451
Allowance for loan losses	(5,044,595)	(3,995,165)
	341,910,146	281,379,286
Premises and equipment - net	11,905,819	9,997,566
Accrued interest receivable	2,431,465	1,904,126
Other assets	1,361,642	492,743
Total Assets	$418,334,055	$344,921,135
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Noninterest-bearing	$ 39,421,962	$ 34,542,493
Interest-bearing	295,589,030	244,847,389
Total	335,010,992	279,389,882
Fed funds purchased	6,000,000	--
Federal Home Loan Bank borrowings	40,000,000	30,000,000
Accrued expenses and other liabilities	1,486,807	1,005,100
Total liabilities	382,497,799	310,394,982
Shareholders' equity		
Preferred stock, no par value, 500,000 shares authorized; no shares issued and outstanding		
Common stock, no par value, 9,500,000 shares authorized; 3,588,565 shares issued and outstanding as of June 30, 2000 and December 31, 1999.	36,882,916	36,882,916
Retained deficit	(610,873)	(1,960,810)
Accumulated other comprehensive income (loss)	(435,787)	(395,953)
Total shareholders' equity	35,836,256	34,526,153
Total liabilities and shareholders' equity	$418,334,055	$344,921,135

</TABLE>

See accompanying notes to condensed consolidated financial statements

MACATAWA BANK CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
Three and Six Month Periods Ended June 30, 2000 and June 30, 1999
(unaudited)

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<TABLE>

	Three Months Ended June 30, 2000	Three Months Ended June 30, 1999	Six Months Ended June 30, 2000	Six Months Ended June 30, 1999
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<S>	<C>	<C>	<C>	<C>
Interest Income				
Loans, including fees	$7,808,196	$4,289,772	$14,418,842	$7,568,141
Investments	559,395	373,450	1,054,680	730,233
Total interest income	8,367,591	4,663,222	15,473,522	8,298,374
Interest expense				
Deposits	3,643,011	2,010,155	6,699,192	3,759,357
Other	645,555	181,751	1,158,080	184,236
Total interest expense	4,288,566	2,191,906	7,857,272	3,943,593
Net interest income	4,079,025	2,471,316	7,616,250	4,354,781
Provision for loan losses	(595,000)	(545,000)	(1,082,000)	(995,000)
Net interest income after provision for loan losses	3,484,025	1,926,316	6,534,250	3,359,781
Noninterest income				
Service charges on deposit accounts	238,196	118,225	439,155	207,739
Gain on sale of loans	95,860	168,406	135,181	424,394
Trust revenue	134,821	45,232	248,187	58,210
Other	48,855	30,717	100,859	61,382
Total noninterest income	517,732	362,580	923,382	751,725
Noninterest expense				
Salaries and benefits	1,705,232	1,246,298	3,353,251	2,347,455
Occupancy expense of premises	308,700	183,790	563,964	342,180
Furniture and equipment expense	294,962	160,324	557,958	299,281
Legal and professional fees	102,312	35,624	153,356	68,489
Advertising	75,001	74,704	144,754	115,128
Data processing	71,774	44,455	145,581	86,841
Shareholder services	33,325	63,399	51,499	69,779
Supplies	71,401	81,996	175,558	149,667
Other expense	515,726	354,190	961,774	665,680
Total noninterest expenses	3,178,433	2,244,780	6,107,695	4,144,500
Income/(loss) before federal income tax	823,324	44,116	1,349,937	(32,994)

Federal income tax	0	0	0	0
Net income/(loss)	$ 823,324	$ 44,116	$ 1,349,937	$ (32,994)
Comprehensive Income (Loss)	$ 834,165	$ (142,339)	$ 1,310,103	$ (272,897)
Basic income/(loss) per share	$ .23	$ .02	$ .38	$ (.01)
Diluted income/(loss) per share	$ .23	$ .02	$ .37	$ (.01)

</TABLE>

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See accompanying notes to condensed consolidated financial statements.

MACATAWA BANK CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
Six Month Periods Ended June 30, 2000 and June 30, 1999
(unaudited)

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<TABLE>

	Six Months Ended June 30, 2000 (unaudited)	Six Months Ended June 30, 1999 (unaudited)
<S>	<C>	<C>
Cash flows from operating activities		
Net income	$ 1,349,937	$ (32,994)
Adjustments to reconcile net income (loss) to net cash from operating activities		
Depreciation and amortization	584,381	314,042
Provision for loan losses	1,082,000	995,000
Net change in		
Accrued interest receivable and other assets	(1,396,238)	(305,771)
Accrued expenses and other liabilities	502,227	208,712
Net cash from operating activities	2,122,307	1,178,989
Cash flows from investing activities		
Net increase in loans	(61,612,860)	(79,657,109)
Purchase of Federal Home Loan Bank Stock	---	(2,312,000)
Purchases of securities available for sale	(7,826,998)	(8,000,000)
Proceeds from maturities and calls of securities available for sale	---	15,000,000
Purchases of premises and equipment	(2,504,112)	(1,667,584)
Net cash from investing activities	(71,943,970)	(76,636,693)
Cash flows from financing activities		
Net increase in deposits	55,621,110	50,554,158
Net increase (decrease) in short term borrowings	6,000,000	(2,000,000)
Advances of Federal Home Loan Bank Borrowings	40,000,000	16,000,000
Repayments of Federal Home Loan Bank Borrowings	(30,000,000)	14,636,431

Net cash from financing activities	71,621,110	79,190,589
Net change in cash and cash equivalents	1,799,447	3,732,885
Cash and cash equivalents at beginning of period	20,554,039	17,953,177
Cash and cash equivalents at end of period	$22,353,486	$21,686,062
Supplemental disclosures of cash flow information		
Cash paid during the period for interest	$ 7,372,615	$ 3,843,524

</TABLE>

See accompanying notes to condensed consolidated financial statements.

MACATAWA BANK CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Six Month Periods Ended June 30, 2000 and June 30, 1999

(unaudited)

<TABLE>

	Common Stock	Retained Deficit	Accumulated Other Comprehensive Income(Loss)	Total Shareholders' Equity
Balance, December 31, 1998	$22,260,646	$(2,654,076)	$ 4,818	$19,611,388
Proceeds from sale of stock	$14,636,431			14,636,431
Net loss for six months ended June 30, 1999 (unaudited)		(32,994)		(32,994)
Other comprehensive income (loss), net of tax:				
Unrealized gains/losses on securities			(239,903)	(239,903)
Comprehensive loss				(272,897)
Balance, June 30, 1999	$36,897,077	$(2,687,070)	$ (235,085)	$33,974,922

	Common Stock	Retained Deficit	Accumulated Other Comprehensive Income(Loss)	Total Shareholders' Equity
Balance, December 31, 1999	$36,882,916	$(1,960,810)	$ (395,953)	$34,526,153
Net income for six months ended June 30, 2000 (unaudited)		1,349,937		1,349,937
Other comprehensive income (loss), net of tax:				
Unrealized gains/losses on securities			(39,834)	(39,834)
Comprehensive income				1,310,103
Balance, June 30, 2000	$36,882,916	$ (610,873)	$ (435,787)	$35,836,256

</TABLE>

See accompanying notes to condensed consolidated financial statements.

MACATAWA BANK CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

NOTE 1 BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting only of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the six month period ended June 30, 2000, are not necessarily indicative of the results that may be expected for the year ending December 31, 2000. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Proxy Statement dated March 20, 2000, containing financial statements for the year ended December 31, 1999.

NOTE 2 EARNINGS PER SHARE

A reconciliation of the numerators and denominators of basic and diluted earnings per share for the quarters and six-months ended June 30, 2000 and June 30, 1999 are as follows:

<TABLE>

	Three Months Ended June 30, 2000	Three Months Ended June 30, 1999	Six Months Ended June 30, 2000	Six Months Ended June 30, 1999
<S>	<C>	<C>	<C>	<C>
Basic earnings (loss) per share				
Net income (loss)	$ 823,324	$ 44,116	$1,349,937	$ (32,994)
Weighted average common shares outstanding	3,588,565	2,777,354	3,588,565	2,607,185
Basic earnings (loss) per share	$ 0.23	$ 0.02	$ 0.38	$ (0.01)
Diluted earnings (loss) per share				
Net income (loss)	$ 823,324	$ 44,116	$1,349,937	$ (32,994)
Weighted average common shares outstanding	3,588,565	2,777,354	3,588,565	2,607,185
Add: Dilutive effects of assumed exercise of stock options	13,100	19,055	16,617	
Weighted average common and dilutive potential common shares outstanding	3,601,665	2,796,409	3,605,182	2,607,185
Diluted earnings (loss) per share	$ 0.23	$ 0.02	$ 0.37	$ (0.01)

</TABLE>

Stock options for 76,000 shares of common stock were not considered in computing diluted earnings per share for the quarter and six-months ended June 30, 2000 because they were antidilutive. Stock options for 56,000 shares of common stock were not considered in computing diluted earnings (loss) per share for the quarter and six-months ended June 30, 1999 because they were antidilutive.

NOTE 3 PRINCIPLES OF CONSOLIDATION

The accompanying condensed consolidated financial statements include the accounts of Macatawa Bank Corporation (the "Company), and its wholly-owned subsidiary, Macatawa Bank (the "Bank"). All significant intercompany accounts and transactions have been eliminated in consolidation.

NOTE 4 - SECURITIES

The amortized cost and fair values of securities were as follows:

<TABLE>

Available for Sale

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Values
<S>	<C>	<C>	<C>	<C>
June 30, 2000 (Unaudited)				
U.S. Treasury securities and obligations of U.S. Government corporation and agencies	$34,931,932	$ ---	$ (679,922)	$34,252,010
Tax Exempt Municipal Bonds	1,787,847	20,197	(557)	1,807,487
Total Securities	$36,719,779	$ 20,197	$ (680,479)	$36,059,497

December 31, 1999	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Values
U.S. Treasury securities and obligations of U.S. Government corporations and agencies	$27,925,926		$ (589,036)	$27,336,890
State and municipal bonds	955,377	$ 852	(11,744)	944,485
	$28,881,303	$ 852	$ (600,780)	$28,281,375

</TABLE>

Contractual maturities of debt securities at June 30, 2000, were as follows. No held-to-maturity securities existed at June 30, 2000. Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

<TABLE>

	Available-for-Sale Securities	
	Amortized Cost	Fair Values
Due from one to five	$34,931,932	$34,252,010
Due from five to ten	215,109	217,420
Due after ten years	1,572,738	1,590,067
Total	$36,719,779	$36,059,497

</TABLE>

NOTE 5 - LOANS

Loans are as follows:

<TABLE>

	June 30, 2000 (Unaudited)	December 31, 1999
Commercial	$243,590,858	$201,391,721
Mortgage	52,755,782	44,734,529
Consumer	50,608,101	39,248,201
	346,954,741	285,374,451
Allowance for loan losses	(5,044,595)	(3,995,165)
	$341,910,146	$281,379,286

</TABLE>

Activity in the allowance for loan losses is as follows:

<TABLE>

	Six months ended June 30, 2000 (Unaudited)	Six months ended June 30, 1999 (Unaudited)

Balance at beginning of period	$3,995,165	$2,030,000
Provision charged to operating expense	1,082,000	995,000
Charge-offs	(32,570)	(507)
Balance at end of period	$5,044,595	$3,024,493

(Continued)

NOTE 6 - PREMISES AND EQUIPMENT - NET

Premises and equipment are as follows:

	June 30 2000	December 31 1999
Land	$ 1,869,218	$1,574,218
Building and improvements	6,482,629	4,915,252
Furniture and equipment	5,158,208	4,516,473
	13,510,055	11,005,943
Less accumulated depreciation	(1,604,236)	(1,008,377)
	$11,905,819	$9,997,566

NOTE 7 - DEPOSITS

Deposits are summarized as follows:

	June 30 2000	December 31 1999
Noninterest-bearing demand deposit accounts	$ 39,421,962	$ 34,542,493
Money market account	111,350,668	100,642,349
NOW and Super NOW accounts	41,680,129	43,237,004
Savings accounts	9,820,745	7,411,691
Certificates of deposit	132,737,488	93,556,345
	$335,010,992	$279,389,882

NOTE 8 - FEDERAL HOME LOAN BANK BORROWINGS

The Bank was approved in the first quarter of 1999 to be a member of the Federal Home Loan Bank of Indianapolis. As a result, the Bank now has the availability of Federal Home Loan Bank advances as an additional funding resource. Maturity dates and interest rates on these advances are as follows:

Maturity Date	Interest Rate	June 30 2000	December 31 1999
March 27, 2000	5.44% (initial rate)	0	$5,000,000
June 19, 2000	5.65% (initial rate)	0	5,000,000
June 26, 2000	3.85% (initial rate)	0	5,000,000
July 27, 2000	6.21% (initial rate)	5,000,000	0
April 1, 2002	5.63% (fixed)	3,000,000	3,000,000
March 31, 2003	5.77% (fixed)	3,000,000	3,000,000
March 30, 2004	5.84% (fixed)	4,000,000	4,000,000
January 7, 2005	6.68% (fixed)	5,000,000	0
January 7, 2005	6.465% (fixed)	5,000,000	0
Sept. 1, 2009	5.80% (fixed)	5,000,000	5,000,000
March 23, 2010	5.99% (fixed)	10,000,000	0
		$40,000,000	$30,000,000

Each advance is payable in full at its respective maturity date. These advances were required to be collateralized by securities totaling $33,000,000 and at least $31,000,000 of the Bank's first mortgage loans under a blanket loan arrangement at June 30, 2000.

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NOTE 9 - REGULATORY MATTERS

The Company and the Bank are subject to regulatory capital requirements administered by federal banking agencies. Capital adequacy guidelines and prompt corrective action regulations involve quantitative measures of assets, liabilities, and certain off-balance-sheet items calculated under regulatory accounting practices. Capital amounts and classifications are also subject to qualitative judgments by regulators about components, risk weighting, and other factors, and the regulators can lower classifications in certain cases. Failure to meet various capital requirements can initiate regulatory action that could have a direct material effect on the financial statements.

The prompt corrective action regulations provide five classifications, including well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized, although these terms are not used to represent overall financial condition. If only adequately capitalized, regulatory approval is required to accept brokered deposits. If undercapitalized, capital distributions are limited, as is asset growth and expansion, and plans for capital restorations are required.

At June 30, 2000 and December 31, 1999, actual capital levels (in thousands) and minimum required levels for the Company and the Bank were:
<TABLE>

	Actual		Minimum Required For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Action Regulations	
June 30, 2000	Amount	Ratio	Amount	Ratio	Amount	Ratio
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Total capital (to risk weighted assets)						
Consolidated	$40,616	11.7%	$27,803	8.0%	$34,754	10.0%
Bank	39,699	11.4	27,799	8.0	34,749	10.0
Tier 1 capital (to risk weighted assets)						
Consolidated	36,272	10.4	13,902	4.0	20,852	6.0
Bank	35,355	10.2	13,900	4.0	20,849	6.0
Tier 1 capital (to average assets)						
Consolidated	36,272	8.9	16,304	4.0	20,380	5.0
Bank	35,355	8.7	16,304	4.0	20,380	5.0
December 31,1999						
Total capital (to risk weighted assets)						
Consolidated	$38,358	14.0%	$21,989	8.0%	$27,489	10.0%
Bank	33,463	12.2	21,992	8.0	27,491	10.0
Tier 1 capital (to risk weighted assets)						
Consolidated	34,922	12.7	10,994	4.0	16,491	6.0
Bank	30,027	10.9	10,996	4.0	16,494	6.0
Tier 1 capital (to average assets)						
Consolidated	34,922	10.8	12,940	4.0	16,175	5.0
Bank	30,027	9.4	12,811	4.0	16,014	5.0

</TABLE>
The Company and the Bank were categorized as well capitalized at June 30, 2000 and at year-end 1999.

Additionally, as a condition to regulatory approval of the Bank's formation, the Bank is required to maintain capitalization sufficient to provide a ratio of Tier 1 Capital to total assets of at least 8% through the third year of operations. At June 30, 2000, the Bank's Tier 1 Capital as a percent of total assets was 8.38%.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Macatawa Bank Corporation (the "Company") is a Michigan corporation and is the bank holding company for Macatawa Bank (the "Bank"). The Bank commenced operations on November 25, 1997. The Bank is a Michigan chartered bank with depository accounts insured by the Federal Deposit Insurance Corporation. The Bank provides a full range of commercial and consumer banking services, primarily in the communities of Holland and Zeeland, Michigan, as well as the surrounding market area primarily located in Ottawa County, Michigan.

The Company has experienced rapid and substantial growth since opening in November 1997. At June 30, 2000, the Bank had thirteen branch banking offices and two service facilities. The Company completed an underwritten initial public offering of common stock on April 7, 1998, resulting in net proceeds of $14.1 million. In June 1999, the Company completed an offering of common stock to its shareholders resulting in net proceeds of $14.6 million.

The Bank established a Trust Department in the fourth quarter of 1998 to further provide for customers' financial needs. The Trust Department began business on January 3, 1999 and as of June 30, 2000, had assets of approximately $206 million.

Financial Condition

At June 30, 2000, total assets of the Company were $418.3 million, an increase of $73.4 million, or 21.3% from December 31, 1999. The continued trend of strong asset growth reflects the Banks' continuing acceptance in its community markets. Management expects the growth trend in assets to continue at a fairly rapid double-digit pace, but at a lesser rate than the six month year-to-date annualized growth rate of 42%. The asset growth was primarily in loans and securities, but also included increases in premises and equipment and cash and due from banks.

Total loans, which were $346.9 million at June 30, 2000, increased by $61.6 million, or 21.6% from year-end. The growth included commercial loans of $42.2 million, consumer loans of $11.4 million, and mortgage loans of $8.0 million. Commercial loans comprise 70% of total loans at June 30, 2000, down 1% from year-end. Consumer loans increased to 15% from 14%, while mortgages remained at 15% of total loans. It is anticipated that strong commercial loan demand in the Bank's market will continue to lead the overall loan growth.

Securities available for sale of $36.1 million represent an increase of $7.8 million, or 27.5%. The growth in securities is consistent with maintaining the Banks' liquidity ratio in conjunction with deposit growth.

Premises and equipment totaled $11.9 million at quarter-end, an increase of $1.9 million from December 31, 1999. The increase reflects expansion of the Banks' investment in facilities and equipment required to support the customer growth. The investment in branch premises includes the purchase of a previously leased branch facility operated by the Bank at 699 E. 16th Street in Holland, as well as the construction-in-process of a full service branch in Douglas to replace a leased, startup storefront facility.

Cash and due from banks of $22.4 million at quarter end was an increase of $1.8 million, or 8.7% from year-end. The increase was a result of increased cash held in correspondent banks necessary to meet the Federal Reserve required reserve limits. Reserve limits are determined by periodic review of the Banks' deposit levels and appropriate reserve amounts as defined by the Federal Reserve regulations.

The allowance for loan losses totaled $5.0 million at June 30, 2000, an increase of $1.0 million from December 31, 1999. The Bank provides a loan loss provision on a regular basis consistent with its' loan growth. The allowance for loan losses as a ratio of total loans was 1.45% at June 30, 2000, as compared to 1.40% at December 31, 1999. While the Bank has not experienced any material credit losses in its portfolios as of June 30, 2000, management recognizes that the Bank's loan portfolios are relatively unseasoned, and no trend of losses has been established. Given additional time, the effects of increasing interest rates on borrowers, and potential economic weakness, the Bank, in its judgment, has provided adequate reserves for loan losses. In lieu of an established loan loss trend for determining an adequate allowance for loan loss, the Bank has built an allowance based on industry peer ratios.

Total deposits at June 30, 2000 were $335.0 million, an increase of $55.6 million, or 19.9%. Growth from new customers as a result of both new branches in new markets, as well as increased customer

activity in existing branches continues to drive this favorable growth trend. Deposit growth, while at a slightly lesser rate than loan growth, is anticipated to continue based on further penetration of the markets where branch offices already have been established. Additionally, growth will occur in contiguous markets as new branches are established where market demographics will support a new branch facility. New deposit growth continues to mirror the Banks' existing deposit base, with non-interest demand accounts accounting for approximately 12% of total deposits, and interest bearing savings and certificates of deposit accounting for the balance.

Results of Operations

Net income for the quarter ended June 30, 2000 was $823,324, as compared to $44,116 for the same period last year. Diluted earnings per share were $.23, compared to $.02 for prior year period. Net income for the six months ended June 30, 2000 totaled $1,349,937, up from the same period in 1999 when the Company reported a net loss of $32,994. Diluted earnings per share for the period were $.37 for 2000, and a loss of ($.01) for 1999.

Net interest income for the second quarter of 2000 totaled $4.08 million, a 65% increase over 1999's level of $2.47 million. The improvement is reflective of the overall growth of the Company. Average earning assets during the second quarter 2000 totaled $379.4 million, versus $225.0 million during the same quarter in 1999. Net interest margin on earning assets was 4.30% for the 2000 quarter, down from 4.39% in the second quarter of 1999. The modest compression in the net interest margin during the second quarter of 2000 reflects funding costs rising at a slightly faster pace than yield on earning assets. Six months year-to-date, net interest income reached $7.62 million, versus 1999 of $4.35 million. Net interest margin during the period for 2000 was 4.27%, as compared to 4.29% for the 1999 period. The growth in net interest income for the six-month period was essentially all driven by increased customer volumes. Continued growth in earning assets is expected to continue to increase levels of net interest income. However, some further compression in net interest margin in the current rising interest rate environment is expected to mitigate some of the net interest income growth.

Non-interest income for the quarter totaled $518 thousand, an increase of $155 thousand over the same period for 1999. For the six-months ended June 30, 2000, non-interest income increased $171 thousand over the same period for 1999. Second quarter trust revenue increased by $90 thousand from the year earlier period, and increased by $190 thousand for the six-month period. The trust department began operations during the first quarter of 1999, and included $205.5 million of assets under management at June 30, 2000, versus $122.7 million for the same time in 1999. The growth in Trust assets under management is expected to moderate for the balance of the year due to both the impact of the stock market volatility on asset valuations, as well as slower growth in employee benefit plan sales. Quarterly service charges on deposit accounts doubled to $238 thousand versus $118 thousand for the second quarter of 1999. For the six-month period of 2000, service charges increased by $231 thousand over the 1999 level. This revenue is dependent on both the number of customer accounts, as well as customer activity levels. It includes regular monthly and quarterly service charges, as well as overdraft charges. Gain on sale of loan revenue decreased substantially from 1999 levels due to the higher level of mortgage interest rates. Gains decreased by $72 thousand for the quarter, and $289 thousand for the six-month period of 2000 as compared to the same periods for 1999. Higher mortgage rates that began in late 1999 have substantially reduced mortgage financing activity, and the Banks' subsequent sales activity. Management anticipates the lower levels of loan sale gains to continue in the current rate environment.

Non-interest expense increased by $933 thousand to $3.2 million for the second quarter, compared to the same quarter for 1999. For the six-month period in 2000, non-interest expense was $6.1 million, an increase of $1.96 million over the same period of 1999. Salary and benefits, and occupancy and equipment expense increased a combined $719 thousand for the quarter, and $1.5 million for the six-months of 2000, as compared to respective periods for 1999. The growth in expense levels reflects the growth in branch and operational support infrastructure. During the last half of 1999, four additional branch locations were opened and these were fully operational for the first six months of 2000. Growth in branch offices also increased advertising and promotion costs for the new locations, data processing, and other expense, which includes courier, telephone, postage, and outside services. All of theses costs are customer activity and branch infrastructure related, and increase as a result of new customer activity being generated.

To date, the Company has not been in a federal tax expense position due to net operating loss carry forwards from its startup losses. Management anticipates to be in a taxable position during the latter half

of 2000, impacting net income for the balance of the year.

Liquidity and Capital Resources

The Company obtained its initial equity capital as a result of a private placement on behalf of the Bank to investors in November, 1997. The Company raised additional equity capital of $14.1 million in its initial public offering completed in April, 1998. As a condition to regulatory approval of the Bank's formation, the Bank is required to maintain capitalization sufficient to provide a ratio of Tier 1 Capital to total assets of at least 8% through the third year of operations. The Bank will complete its third year of operations on November 25, 2000. At March 31, 1999, the Bank's Tier 1 Capital to assets ratio was 8.43%. Due to the rapid growth of the Bank, additional equity capital was required. In June 1999, the Company raised $14.6 million of equity capital net proceeds in an offering made to the Company's shareholders. The Company contributed $10 million from the proceeds of this offering to the Bank's capital. Due to continued growth of the Bank, an additional $4 million was contributed to the Bank from the Company's cash reserves of approximately $5 million during the first and second quarters of 2000. At June 30, 2000, the Bank's Tier 1 Capital as a percent of total assets was 8.38%.

Based on continued projected asset growth, management anticipates an additional capital will be required in early 2001.

The liquidity of a financial institution reflects its ability to provide funds to meet loan requests, to accommodate possible outflows in deposits and to take advantage of interest rate market opportunities. The Company's sources of liquidity include loan payments by borrowers, maturity and sales of securities available for sale, growth of deposits and deposit equivalents, federal funds sold, borrowings from the Federal Home Loan Bank, and the issuance of common stock. Liquidity management involves the ability to meet the cash flow requirements of the Company's customers. These customers may be either borrowers with credit needs or depositors wanting to withdraw funds.

Year 2000 Compliance

Because many computerized systems use only two digits to record the year in date fields (for example, the year 1998 is recorded as 98), such systems may not be able to accurately process dates ending in the year 2000 and after. The effects of the issue will vary from system to system and may adversely affect the ability of a financial institution's operations as well as its ability to prepare financial statements. The Company and the Bank were organized in 1997 and the Company acquired its computer equipment within the past four years and has contracted with a leading supplier of information processing services. This equipment and these services were purchased with manufacturer assurances of Year 2000 compliance.

The Company has not experienced any Year 2000 problems. Although considered unlikely, unanticipated problems, including problems associated with non-compliant third parties, could still occur. The Company will continue to manage its business and address any issues that may arise.

Forward Looking Statements

This report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Reform Act of 1995, and is including this statement for purposes of these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words "believe," "expect," "intend," "anticipate," "estimate," "project," "may" or similar expressions. The presentation and discussion of the provision and allowance for loan losses, statements concerning future profitability or future growth or increases, and the Year 2000 readiness discussion are examples of inherently forward looking statements in that they involve judgements and statements of belief as to the outcome of future events. The Company's ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse affect on the operations and future prospects of the Company and the Bank include, but are not limited to, changes in: interest rates, general economic conditions, legislative/regulatory changes, monetary and fiscal policies of the U.S. Government, including policies of the U.S. Treasury and the Federal Reserve Board, the quality or composition of the loan or investment

portfolios, demand for loan products, deposit flows, competition, demand for financial services in the Company's market area and accounting principles, policies and guidelines. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Further information concerning the Company and its business, including additional factors that could materially affect the Company's financial results, is included in the Company's filings with the Securities and Exchange Commission.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Asset Liability Management and Market Risk Analysis

Asset liability management aids the Company in maintaining liquidity while maintaining a balance between interest earning assets and interest bearing liabilities. Management of interest rate sensitivity attempts to avoid widely varying net interest margins and to achieve consistent net interest income through periods of changing interest rates. Certain savings accounts and interest bearing checking accounts are shown as repricing other than contractually due to the stability of these products in a rate changing environment. Management monitors the Company's exposure to interest rate changes using a GAP analysis. The following table illustrates the Company's GAP position at various intervals (in thousands) at June 30, 2000.

<TABLE>

<S>	Less than 3 Months <C>	3 - 12 Months <C>	1 - 5 Years <C>	Over 5 Years <C>	Total <C>
Assets:					
Loans-Fixed	12,807	28,272	129,319	24,884	195,282
Loans-Variable	129,738	443	18,837	2,655	

					151,673
Taxable Securities	-	4,000	30,932	-	34,932
Tax-Exempt Securities	-	-	-	1,788	1,788
Other Securities	-	-	-	2,312	2,312
Federal Funds Sold	-	-	-	-	---
Loan Loss Reserve	-	-	-	-	(5,045)
Cash & Due From Banks	-	-	-	-	22,353
Fixed Assets	-	-	-	-	11,905
Other Assets	-	-	-	-	3,134
	---------	--------	---------	--------	---------
TOTAL	142,545	32,715	179,088	31,639	418,334
Liabilities:					
CD's 100M and Over	31,998	23,968	19,491	-	75,457
CD's-Less than 100M	6,828	22,471	20,431	-	49,730
Repo's & Borrowed Money	11,000	-	20,000	15,000	46,000
Savings & IRA's	3,028	2,491	11,322	783	17,624
NOW & MMDA's	79,393	-	74,889	-	154,282
Non-Interest Bearing Deposits	-	-	-	-	37,918
Other Liabilities & Equity	-	-	-	-	37,323
	---------	--------	---------	--------	---------
TOTAL	132,247	48,930	146,133	15,783	418,334
Period Gap:	10,298	(16,215)	32,955	15,856	
Cumulative Gap:	10,298	(5,917)	27,038	42,894	
Cumulative Gap/Total Assets	2.46%	-1.41%	6.46%	10.25%	
RSA/RSL	1.08	0.67	1.23	2.00	
Cumulative RSA/RSL	1.08	0.97	1.08	1.13	

</TABLE>

Based on this analysis, Management does not believe the Company would be materially impacted by changes in interest rates.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 2. Changes in Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Securities Holders.

(a) The annual meeting of shareholders of the Corporation was held on April 27, 2000 ("Annual Meeting")

(b) The following directors were elected at the Annual Meeting for terms expiring in 2003: G. Thomas Boylan and Benj. A. Smith, III. Other directors whose terms continued after the meeting are as follows: John F. Koetje, whose term expires in 2001; and Robert E. DenHerder and Philip J. Koning, whose terms expire in 2002.

(c) At the Annual Meeting, two directors were elected for terms expiring in 2003.

Director Nominees:	For	Against	Abstain
G. Thomas Boylan	3,105,507	2,400	32,569
Benj. A. Smith, III	3,064,257	43,650	32,569

Item 5. Other Information.

None.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits -

27 Financial Data Schedule
(EDGAR version only)

(b) Reports on Form 8-K - None.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Quarterly Report on Form 10-Q for the quarter ended June 30, 2000, to be signed on its behalf by the undersigned, thereunto duly authorized.

MACATAWA BANK CORPORATION

/s/ Benj. A. Smith, III
Benj. A. Smith, III
Chairman and Chief Executive Officer

/s/ Philip J. Koning
Philip J. Koning
Treasurer and Secretary
(Principal Accounting Officer)

DATE: August 4, 2000

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This schedule contains summary financial information from SEC Form 10-Q and is qualified in its entirety by reference to such financial information.
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