

PUBLIC DISCLOSURE

March 29, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Independent Bank
RSSD# 636771

4200 East Beltline
Grand Rapids, Michigan 49525

Federal Reserve Bank of Chicago

230 South LaSalle Street
Chicago, Illinois 60604-1413

NOTE: This document is an evaluation of this bank's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the bank. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial bank.

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INSTITUTION'S CRA RATING

Independent Bank's Overall CRA Rating: Satisfactory

Performance Test Rating Table

The following table indicates the performance level of Independent Bank with respect to the lending, investment, and service test.

Independent Bank			
Performance Levels	Performance Tests		
	Lending Test	Investment Test	Service Test
Outstanding			
High Satisfactory	✓	✓	✓
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

** Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating*

Summary of Major Factors that Support the Rating

Lending Test:

- The bank's lending levels reflect excellent responsiveness to credit needs in its assessment area;
- An adequate percentage of loans were made in the bank's assessment areas;
- The geographic distribution of loans reflects good penetration throughout the bank's assessment areas;
- The distribution of borrowers reflects, given the product lines offered, good penetration among customers of different income levels and businesses of different sizes;
- Lending exhibits a good record of serving credit needs of low-income individuals and areas, and very small businesses;

- The bank is a leader in making community development loans; and
- The bank makes use of innovative and flexible lending practices in serving assessment area credit needs.

Investment Test:

- The bank makes a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position.
- There is occasional use of innovative and/or complex investments to support community development initiatives; and
- The bank exhibits good responsiveness to credit and community development needs.

Service Test:

- The bank's delivery systems are accessible to the bank's geographies and individuals of different income levels in the assessment areas.
- The bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income geographies and/or low- and moderate-income individuals.
- The bank's services do not vary in a way that inconveniences its assessment areas, particularly low- and moderate-income (LMI) geographies and/or low- and moderate-income individuals; and
- The bank provides a relatively high level of community development services.

INDEPENDENT BANK

DESCRIPTION OF INSTITUTION

Independent Bank is a wholly owned subsidiary of Independent Bank Corporation, a one-bank holding company; both are located in Grand Rapids, Michigan. The bank operates its main office in Grand Rapids, 61 bank branches, 73 full-service ATMs, and four cash-only ATMs throughout Michigan's Lower Peninsula. The bank also maintains 10 loan production offices (LPOs), five of which are located outside the bank's assessment area, one in each, Akron and Columbus, Ohio, and one in each of the cities of Ann Arbor, Cadillac, and Kalamazoo, Michigan. Since the previous performance evaluation dated August 6, 2018, the bank opened one branch and closed eight branches. Individual assessment area discussions will provide additional detail of these changes.

As of September 30, 2020, the bank reported total assets of approximately \$4.2 billion. Independent Bank provides a comprehensive range of banking and related financial services to meet the needs of individuals, families, and businesses in the communities it serves. The bank offers a full range of loan products including commercial, residential real estate, agricultural, and consumer loans. The bank also offers a variety of standard, non-complex deposit products including checking, savings, money market, and certificate of deposit accounts. The bank offers a number of alternative retail delivery services, including mobile and internet banking. The bank's website has transactional capabilities and provides customers with the ability to perform account transfers, bill payments, and apply for mortgage and consumer loans. Additionally, through the mobile and internet banking capabilities, customers have the ability to review account balances and brokerage accounts, initiate account transfers, bill pay, remote deposit capture (Snap Check), and peer-to-peer transfers (Zelle).

Independent Bank's marketing focus includes brand positioning and growth in retail and commercial deposits and loan activity. This is accomplished through traditional marketing channels, as well as digital, social and search engine marketing strategies. All retail, commercial, and residential lending products are marketed to all of the bank's market areas. Further, the bank utilizes social media platforms as a form of marketing and outreach through the use of Facebook, Twitter, LinkedIn, and YouTube. The only change since the previous examination, is the bank's intentional marketing focus for its new Freddie Mac Down Payment Assistance Program.

As shown in the following table, Independent Bank is primarily a commercial lender with 48.6 percent of its loan portfolio concentrated in commercial loans as of September 30, 2020. Also significant are residential real estate loans constituting 35.2 percent of the loan portfolio. Consumer lending also represents a notable portion of the loan portfolio at 16.0 percent. Agricultural lending is not a major product line, at only 0.1 percent of the loan portfolio.

Loan Portfolio Composition as of September 30, 2020		
Loan Type	Dollar Volume (\$ in 000s)	% of Portfolio
Commercial	1,438,267	48.6
Residential Real Estate	1,040,216	35.2
Consumer	472,654	16.0
Agricultural	3,896	0.1
Other	2,335	0.1
Total	2,957,368	100.0

Note: Percentages may not add to 100.0 percent due to rounding.

The following table details which individual assessment areas will receive full and limited scope reviews. It also provides an overview of the bank's assessment areas by lending activity and demographic components of census tract income.

Assessment Area Data									
Scope	Assessment Area (AA)	AA Presence		Lending		AA Demographics			
		# Branches	# ATMs	% 2019 HMDA Loans	% 2019 Small Business Loans	% AA Tracts of Total AA Tracts	% LMI Tracts of Total LMI Tracts	% LMI Families	% Families Below the Poverty Level
Full	Grand Rapids-Kentwood, MI MSA	17	19	30.3	18.5	10.6	8.7	37.5	9.4
	Detroit-Warren-Dearborn, MI MSA	10	10	34.0	20.1	63.5	71.2	39.2	12.8
	Lansing-East Lansing, MI MSA	8	11	7.3	9.3	5.5	4.8	39.3	11.9
	Central MI NonMSA	4	7	4.9	0.9	1.9	0.7	38.8	13.6
	Eastern MI NonMSA	6	9	2.3	5.2	2.0	0.1	38.9	10.4
	Northwest MI NonMSA	4	5	8.0	33.0	1.2	0.1	26.6	6.6
	Total Full Scope	49	61	86.8	86.9	84.7	85.8		
Limited	Bay City, MI MSA	5	5	3.5	4.3	1.4	1.2	37.6	10.7
	Flint, MI MSA	1	1	2.0	1.2	6.6	7.0	39.0	16.5
	Jackson, MI MSA	1	2	1.0	0.0	1.9	2.2	39.8	12.9
	Muskegon, MI MSA	1	1	2.9	4.9	2.2	2.3	38.6	14.5
	Saginaw, MI MSA	4	6	3.5	2.4	2.8	2.6	38.3	13.5
	Northern, MI MSA	1	1	0.4	0.3	0.4	0.0	44.9	14.2
	Total Limited Scope	13	16	13.2	13.1	15.3	14.2		
Grand Total	62	77	100.0	100.0	100.0	100.0			

There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

At its previous evaluation conducted on August 6, 2018, the bank was rated **Satisfactory** under the CRA.

SCOPE OF THE EXAMINATION

Independent Bank's CRA performance was evaluated using the Federal Financial Institutions Examination Council's Interagency Large Institution CRA Examination Procedures. The evaluation was performed in the context of information about the bank and its assessment areas, such as asset size, financial condition, market presence of other financial institutions, the combined record of aggregate lenders in the assessment areas, and economic and demographic characteristics.

The retail lending analysis was based on 2018 and 2019 HMDA-reportable loans, specifically home purchase and home refinance. Home improvement, multifamily, other purpose lines of credit, other purpose closed/exempt, and loan purpose not applicable loans were not evaluated as the limited volume in each of these categories does not allow for an effective analysis. The review also included an analysis of 2018 and 2019 CRA-reportable small business loans. Although the bank is predominantly a commercial lender, HMDA-reportable loan activity by number was almost six times greater than CRA-reportable small business lending during 2018 and 2019. As such, HMDA-reportable loan activity was accorded greater weight in the lending analysis. Small farm lending during the evaluation period was minimal and had no impact on the overall CRA rating. Therefore, an evaluation of small farm lending was not included. Of note, lending tables for 2019 are included in the geographic and borrower distribution sections of this report, while 2018 lending data tables can be found in Appendix B.

The composition of the bank's 12 delineated assessment areas and the scope of review for each assessment area are shown in the following table. Full scope assessment areas were selected based on an analysis of the number of bank offices, loans and deposits, the size of the assessment area, demographic factors such as the number of low- and moderate-income families and families with income below the poverty level, and in consideration of when assessment areas were last subject to a full scope review. Since the previous CRA evaluation, Independent Bank added the counties of Grand Traverse and Leelanau, due to the acquisition of Traverse City State Bank, which consummated on April 1, 2018. The bank's Grand Rapids MSA and Detroit MSA assessment areas were more heavily weighted than other full scope assessment areas because the population of the two assessment areas comprised 87.7 percent and 93.2 percent of low- and moderate-income families and census tracts, respectively and 55.1 percent of branches compared to totals for all full scope assessment areas. The bank's CRA rating is determined only through an evaluation of performance in the full scope assessment areas. Although data is included in the evaluation for the limited scope assessment areas, this data was not considered in determining the bank's CRA rating.

Assessment Areas, with Descriptions for NonMSAs and MSAs	Report Designation
Full Scope Review	
1. Grand Rapids-Kentwood, MI MSA #24340	Grand Rapids MSA
2. Detroit-Warren-Dearborn, MI MSA #19820	Detroit MSA
3. Lansing-East Lansing, MI MSA #29620	Lansing MSA
4. Central MI NonMSA (Isabella, Mecosta, and Newaygo Counties)	Central NonMSA
5. Eastern MI NonMSA (Huron, Sanilac, Tuscola Counties)	Eastern NonMSA
6. Northwest MI NonMSA (Grand Traverse and Leelanau Counties)	Northwest NonMSA
Limited Scope Review	
7. Bay City, MI MSA #13020	Bay City MSA
8. Flint, MI MSA #22420	Flint MSA
9. Jackson, MI MSA #27100	Jackson MSA
10. Muskegon, MI MSA #34740	Muskegon MSA
11. Saginaw, MI MSA #40980	Saginaw MSA
12. Northern MI NonMSA (Arenac County)	Northern NonMSA

The bank's performance was evaluated using the following performance standards:

- **Lending Activity** – HMDA-reportable and CRA-reportable small business loans originated from January 1, 2018, through December 31, 2019, were reviewed to determine the bank's responsiveness to credit needs in the bank's assessment area.
- **Lending in the Assessment Area** – HMDA-reportable and CRA-reportable small business loans from January 1, 2018, through December 31, 2019, were reviewed to determine the percentage of loans originated in the assessment area.
- **Geographic Distribution of Lending in the Assessment Area** – HMDA-reportable and CRA-reportable small business loans from January 1, 2018, through December 31, 2019, were reviewed to determine the extent to which the bank makes loans in census tracts of different income levels, including low- and moderate-income tracts.
- **Lending to Borrowers of Different Incomes and Businesses of Different Sizes** – HMDA-reportable and CRA-reportable small business loans were reviewed to determine the loan distribution among borrowers of different income and revenue levels. The review period was January 1, 2018, through December 31, 2019.
- **Community Development Lending** – The number, dollar volume, innovativeness, and complexity of community development loans originated from August 7, 2018, through March 29, 2021, were reviewed to determine responsiveness to community development needs.

- ***Innovative or Flexible Lending Practices*** – The degree to which the bank uses innovative and flexible lending practices to address the credit needs of low- and moderate-income individuals, small businesses, and geographies from August 7, 2018, through March 29, 2021.
- ***Investments*** – Qualified investments, grants, and donations made from August 7, 2018, through March 29, 2021, were reviewed to determine the bank’s responsiveness to community development needs. Qualified investments were also evaluated to determine the bank’s use of innovative or complex investments.
- ***Services*** – The distribution of the bank’s branch offices, banking services, hours of operation, availability of loan and deposit products, and the extent and innovativeness of community development services were reviewed. The review included community development activities conducted from August 7, 2018, through March 29, 2021.

Eleven community representatives were contacted to understand the credit needs of full scope assessment areas. The representatives specialized in affordable housing, community services, and economic development. Input provided by the representatives is found in individual assessment area analyses.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

LENDING TEST

Independent Bank’s performance relative to the lending test is rated high satisfactory based on lending levels reflecting excellent responsiveness to assessment area credit needs. An adequate percentage of loans were made in the bank’s assessment areas. The geographic distribution of loans reflects good penetration throughout the assessment areas. The distribution of borrowers reflects, given the product lines offered, good penetration among borrowers of different income levels and businesses of different sizes. The bank exhibits a good record of serving the credit needs of low- and moderate-income individuals and areas, and very small businesses. The bank is a leader in making community development loans and makes use of innovative and flexible lending practices in serving assessment area credit needs.

Level of Lending Activity

The bank’s lending levels reflect excellent responsiveness to credit needs in its assessment area.

During the review period, the bank’s HMDA-reportable loans and CRA-reportable small business lending activity comprised 10,411 loans for a total of \$2.2 billion. The level of lending activity overall represents an increase from the previous evaluation in both number (57.4 percent), dollar volume (115.7 percent). This is primarily attributable to a significant increase in HMDA-reportable loans, as home purchase and home refinance, as well as multi-family loans have increased by both

number and dollar since the previous evaluation. Small business loans also increased in both number and dollar, but more modestly than the increase in HMDA-reportable loans.

The table below presents the bank’s lending activity from January 1, 2018, through December 31, 2019.

Summary of Lending Activity January 1, 2018 through December 31, 2019				
Loan Type	#	%	\$ (000s)	%
Home Improvement	638	6.1	70,275	3.1
Home Purchase	6,312	60.6	1,425,754	63.7
Multi-Family Housing	13	0.1	24,897	1.1
Refinancing	1,956	18.8	394,693	17.6
Total HMDA Loans	8,919	85.7	1,915,619	85.6
Total Small Business Loans	1,492	14.3	322,661	14.4
Total Loans	10,411	100.0	2,238,280	100.0
<i>Note: Percentages may not add to 100.0 percent due to rounding.</i>				

Assessment Area Concentration

An adequate percentage of loans are made in the bank’s assessment area. More specifically, Independent Bank made 71.7 percent of its HMDA- and CRA-reportable loans by number, and 68.1 percent of total loans by dollar volume, within its assessment area during the review period. This is a decrease in the bank’s performance since the previous evaluation, during which time it made 83.8 percent by number, and 81.9 percent by dollar volume, of its HMDA- and CRA-reportable loans within the assessment area.

The bank’s CRA-reportable small business lending reflects a higher concentration of lending within the assessment area, at 87.6 percent by number and 86.9 percent by dollar volume, during the review period, which is comparable to the bank’s performance at the previous evaluation. HMDA-reportable loan activity represents a lower concentration of lending within the assessment area, at 69.0 percent by number and 65.0 percent by dollar volume. As aforementioned, the bank operates five loan production offices outside of the assessment area, which contributes to the level of HMDA-reportable loan activity outside of the assessment area.

The table below presents lending inside and outside the assessment area during the review period.

Lending Inside and Outside the Assessment Area January 1, 2018 through December 31, 2019								
	Inside				Outside			
	#	%	\$ (000s)	%	#	%	\$ (000s)	%
Home Improvement	529	82.9	56,678	80.7	109	17.1	13,597	19.3
Home Purchase - Conventional	3,713	64.5	821,945	61.4	2,042	35.5	516,366	38.6
Home Purchase - FHA	304	68.9	43,392	68.0	137	31.1	20,411	32.0
Home Purchase - VA	73	62.9	15,239	64.5	43	37.1	8,401	35.5
Multi-Family Housing	10	76.9	16,376	65.8	3	23.1	8,521	34.2
Refinancing	1,528	78.1	209,894	73.7	428	21.9	103,799	26.3
Total HMDA related	6,157	69.0	1,244,524	65.0	2,762	31.0	671,095	35.0
Small Business	1,307	87.6	280,458	86.9	185	12.4	42,203	13.1
Total Small Bus. related	1,307	87.6	280,458	86.9	185	12.4	42,203	13.1
TOTAL LOANS	7,464	71.7	1,524,982	68.1	2,947	28.3	713,298	31.9
<i>Note: Percentages may not add to 100.0 percent due to rounding.</i>								

Geographic and Borrower Distribution

The bank's lending activities reflect good distribution throughout the assessment area. The bank's lending activities reflect good distribution, particularly in its assessment area(s), of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

When analyzing geographic and borrower distribution lending rates in individual assessment areas, HMDA-reportable loans were weighted more significantly than CRA-reportable loans because they comprised 85.7 percent of all originations in 2018 and 2019. For HMDA lending analysis, home purchase and refinance activity were weighted more heavily because these loans comprised 70.8 percent and 21.9 percent, respectively, of all HMDA-reportable loans. Unless stated otherwise, all comparisons to aggregate lender performance are made to the percentage of loans by number.

Further discussion with respect to the geographic and borrower distribution of lending can be found in the individual assessment area analyses.

Independent Bank makes use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- or moderate-income individuals or geographies. The bank offers a variety of products that are responsive to the credit needs of low- and moderate-income individuals, in addition to a core set of products specifically tailored to the needs of low- and moderate-income individuals and small businesses.

The bank continues to innovate and provide flexible products to low- and moderate-income individuals and areas. In addition to the continuation of innovative and flexible lending products, noted within the previous evaluation, the bank has introduced another new product that targets both low- and moderate-income individuals and areas, My Community Home Rewards. The My Community Home Rewards program targets low-income individuals and/or properties that are located in low-income census tracts. The program was created to assist borrowers with closing costs, providing those individuals the opportunity to refinance their mortgages and save costs. Since the inception of the program, the bank has originated 38 loans, for \$6.8 million.

Below is a table of the bank's Innovative and Flexible Products number and dollar volumes, in addition to the percentages of loans that are originated to low- and moderate-income individuals and low- and moderate-income areas.

Innovative and Flexible Loans				
August 6, 2018, to March 29, 2021				
Product	# of Loans	\$ of Loans (Millions)	% LMI Borrowers	% LMI Geographies
My Community Home Rewards	38	6,763	23.7	100.0
Detroit Home Mortgage	31	4,952	16.1	58.0
FHA Fixed 30	588	94,172	9.5	22.3
FHLMC	212	28,418	17.0	27.8
FNMA Home Ready	309	45,641	9.1	27.2
HomeReady	193	27,793	24.4	26.9
MSHDA	289	29,290	18.3	33.6
IB Community Affordable Fixed 30	8	878	37.5	50.0
NS IB Community Affordable Fixed 30	6	783	0.0	50.0
OHFA Conventional 30 Year Fixed	6	666	33.3	66.7
USDA Fixed 30	187	27,030	12.3	14.4
VA Fixed 30	246	54,636	3.3	15.0
Total	2,113	321,022		

Community Development Lending

The bank is a leader in making community development loans. The bank originated 128 loans for \$282.6 million in full scope assessment areas, with total originations of 152 loans for \$329.5 million. The majority of loan dollars, at 78.1 percent, were originated for revitalization and stabilization purposes. Community development lending increased significantly since the previous evaluation period, when the bank originated 83 loans in all assessment areas for \$179.1 million; this represents an 83.9 percent increase in total community development loans in the current period.

Community Development Loans										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Grand Rapids MSA	2	9,888	6	9,236	3	13,353	37	104,678	48	137,155
Detroit MSA	1	50	9	7,046	2	3,916	41	104,966	53	115,978
Lansing MSA	0	0	3	1,503	0	0	4	6,938	7	8,441
Central NonMSA	0	0	6	3,397	0	0	0	0	6	3,397
Eastern NonMSA	0	0	2	3,350	1	1,210	0	0	3	4,560
Northwest MSA	0	0	2	406	4	7,373	5	5,286	11	13,065
Full Total	3	9,938	28	24,938	10	25,852	87	221,868	128	282,596
Limited Scope Review										
Bay City MSA	0	0	1	164	1	1,014	0	0	2	1,178
Flint MSA	0	0	2	487	0	0	3	8,400	5	8,887
Jackson MSA	0	0	2	243	0	0	1	1,400	3	1,643
Muskegon MSA	0	0	2	243	0	0	2	19,191	4	19,434
Saginaw MSA	0	0	6	1,213	0	0	0	0	6	1,213
Northern NonMSA	0	0	0	0	0	0	0	0	0	0
Limited Total	0	0	13	2,350	1	1,014	6	28,991	20	32,355
Other										
Regional	1	8,000	0	0	0	0	3	6,546	4	14,546
Grand Total	4	17,938	41	27,288	11	26,866	96	257,405	152	329,497

INVESTMENT TEST

Independent Bank's performance relative to the Investment Test is High Satisfactory based on a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. In addition, the bank makes occasional use of innovative or complex investments to support community development initiatives and exhibits good responsiveness to credit and community development needs.

The bank made or maintained 25 investments, for \$18.7 million in full scope assessment areas, and 43 investments for \$39.6 million in total, including in limited scope assessment areas and in regional organizations that also serve the assessment area. Investments were made in all assessment areas. All of the bank's investments were made in the current evaluation period. Community development investments are comprised largely of less innovative municipal bonds, school bonds, and mortgage backed securities. However, the bank also invested in several funds, including in regional investments that fund economic development through a small business investment company fund, which supports residential development in low-income housing for low- and moderate-income individuals, and in MSHDA bonds supporting affordable housing loans. Previously, the bank had 38 investments totaling \$43.9 million; although in total the investment dollars declined slightly, at 9.7 percent.

Community Development Investments										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Grand Rapids MSA	7	6,076	1	2,750	0	0	0	0	8	8,826
Detroit MSA	2	1,923	2	330	0	0	2	700	6	2,953
Lansing MSA	3	3,083	0	0	0	0	1	1,000	4	4,083
Central NonMSA	1	125	2	221	0	0	1	1,700	4	2,046
Eastern NonMSA	1	471	1	22	0	0	0	0	2	493
Northwest MSA	1	250	0	0	0	0	0	0	1	250
Full Total	15	11,928	6	3,323	0	0	4	3,400	25	18,651
Limited Scope Review										
Bay City MSA	1	99	1	1,135	0	0	0	0	2	1,234
Flint MSA	2	423	2	6,000	0	0	0	0	4	6,423
Jackson MSA	1	239	0	0	0	0	0	0	1	239
Muskegon MSA	1	272	0	0	0	0	0	0	1	272
Saginaw MSA	3	1,013	0	0	0	0	0	0	3	1,013
Northern NonMSA	0	0	1	61	0	0	1	145	2	206
Limited Total	8	2,046	4	7,196	0	0	1	145	13	9,387
Other										
Regional Area	5	11,576	0	0	0	0	0	0	5	11,576
Grand Total	28	25,550	10	10,519	0	0	5	3,545	43	39,614

The bank also made 240 donations for \$586,218 in full scope assessment areas and 357 donations for \$771,923 in total. Full scope assessment area donations increased 99.5 percent and total donations increased 61.3 percent compared to the prior evaluation period. Donations were primarily for community service purposes.

Community Development Contributions										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/ Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Full Scope Review										
Grand Rapids MSA	10	17,350	58	210,363	6	118,500	4	7,000	78	353,213
Detroit MSA	10	25,700	37	76,250	6	25,500	0	0	53	127,450
Lansing MSA	2	4,500	23	15,000	2	20,580	3	2,550	30	42,630
Central NonMSA	1	1,500	11	23,850	0	0	0	0	12	25,350
Eastern NonMSA	0	0	38	18,275	0	0	0	0	38	18,275
Northwest MSA	4	1,850	18	8,950	6	8,000	1	500	29	19,300
Full Total	27	50,900	185	352,688	20	172,580	8	10,050	240	586,218
Limited Scope Review										
Bay City MSA	1	32,500	45	41,700	2	10,105	0	0	48	84,305
Flint MSA	0	0	5	5,150	1	250	0	0	6	5,400
Jackson MSA	0	0	8	6,950	0	0	0	0	8	6,950
Muskegon MSA	0	0	6	12,100	1	10,000	0	0	7	22,100
Saginaw MSA	1	1,500	40	55,900	0	0	0	0	41	57,400
Northern NonMSA	2	1,750	0	0	2	2,000	2	800	6	4,550
Limited Total	4	35,750	104	121,800	6	22,355	2	800	116	180,705
Other										
Regional	0	0	1	5,000	0	0	0	0	1	5,000
Grand Total	31	86,650	290	479,488	26	194,935	10	10,850	357	771,923

SERVICE TEST

Independent Bank's performance relative to the Service Test is High Satisfactory based on delivery systems that are accessible to the bank's geographies and individuals of different income levels in the assessment area. The bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income geographies and to low- and moderate-income individuals. Services do not vary in a way that inconveniences its assessment area, particularly in low- and moderate-income geographies and low- and moderate-income individuals. The bank provides a relatively high level of community development services.

Retail Services

The bank's retail delivery services are accessible to geographies and individuals of different income levels in its assessment area. To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals.

Its services do not vary in a way that inconveniences its assessment areas, particularly low- or moderate-income geographies or low- or moderate-income individuals.

The bank's retail services are provided through its network of the bank's main office and 61 branches, 73 full-service and four cash-only ATMs, 10 loan production offices, telephone, on-line and mobile banking activities. The bank's on-line offerings include the ability to apply for consumer loans, residential real estate mortgages, and to open consumer deposit accounts. All branches offer consumer, mortgage, and commercial products and services. Branches are typically open Monday through Thursday from 8:30 or 9:00 a.m. to 4:30 or 5:00 p.m., on Fridays until 6:00 p.m., and Saturday from 9:00 a.m. to 12:00 p.m. In addition to branch hours, appointments with lenders for loan applications at the applicant's convenience and internet, phone, and mobile banking services make the bank's products and services accessible to low- and moderate-income individuals and in low- and moderate-income census tracts.

The bank does not operate any branches or full-service ATMs in low-income census tracts. The bank operates 15 branch offices and 17 full-service ATMs in moderate-income census tracts throughout the assessment area, as well as three branch offices and two standalone full-service ATMs located within distressed or underserved non-metropolitan middle-income census tracts. The bank's remaining 47 branch offices, the main office, and 60 ATMs are located in either middle- or upper-income census tracts. There were eight branches and seven standalone cash-only ATMs closed during the evaluation period. Of the branches and ATMs closed, two cash-only ATMs were located in low-income census tracts, as well as a branch office that was located in a moderate-income census tract. Further, one branch location and two standalone cash-only ATMs were closed in distressed non-metropolitan middle-income census tracts. The bank did open a branch and a full-service ATM, both in moderate-income census tracts, during the evaluation period.

Distribution of Branches and ATMs				
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs
Low	0	0.0	0	0.0
Moderate	15	24.2	17	22.1
Middle	32	51.6	42	54.5
Upper	15	24.2	18	23.4
Unknown	0	0.0	0	0.0
Total	62	100.0	77	100.0

Community Development Services

The bank provides a relatively high level of community development services in the assessment area. During the evaluation period, the bank provided 5,249 hours of services to full scope assessment areas, and 7,122 hours of services in total, compared to 6,910 hours provided in total at the previous evaluation. Service hours increased slightly, 15.5 percent in full scope assessment areas and 3.1 percent in total.

Community Development Services										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Full Scope Review										
Grand Rapids MSA	8	88	70	1,793	12	275	8	75	98	2,231
Detroit MSA	12	157	30	978	4	33	3	52	49	1,220
Lansing MSA	5	52	22	758	4	19	2	8	33	837
Central NonMSA	0	0	8	242	0	0	0	0	8	242
Eastern NonMSA	1	8	29	511	1	3	1	12	32	534
Northwest MSA	3	36	7	149	0	0	0	0	10	185
Full Total	29	341	166	4,431	21	330	14	147	230	5,249
Limited Scope Review										
Bay City MSA	0	0	16	634	1	2	4	77	21	713
Flint MSA	3	27	13	109	1	5	0	0	17	141
Jackson MSA	1	5	5	76	0	0	0	0	6	81
Muskegon MSA	6	23	7	192	1	2	0	0	14	217
Saginaw MSA	1	37	22	450	1	10	0	0	24	497
Northern NonMSA	0	0	5	31	3	60	2	133	10	224
Limited Total	11	92	68	1,492	7	79	6	210	92	1,873
Grand Total	40	433	234	5,923	28	409	20	357	322	7,122

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

GRAND RAPIDS–KENTWOOD, MI MSA #24340 – FULL REVIEW

SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation, with the exception of the review of HMDA-reportable loans. The volume of home improvement originations was sufficient enough to provide a meaningful analysis and was evaluated.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN GRAND RAPIDS-KENTWOOD, MI MSA #24340.

The Grand Rapids assessment area consists of Ionia, Kent, Montcalm, and Ottawa Counties in their entirety. This configuration is new and reflects the re-definition of the MSA published by the Office of Management and Budget (OMB) in September 2018. This configuration took effect in 2019 for assessment area purposes. Previously, the Grand Rapids MI MSA consisted of Barry, Kent, Montcalm, and Ottawa Counties in their entireties. Barry County became a NonMSA county also effective in 2019.

The assessment area is comprised of 208 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, 12 census tracts are determined to be low-income, 47 census tracts are designated moderate-income, 100 census tracts are considered middle-income, and 47 census tracts are upper-income. There are two census tracts in the assessment area with unknown incomes.

In addition to its main office, the bank operates 16 branches, 19 full-service ATMs, and one loan production office within the assessment area. Since the previous evaluation, the bank has closed one branch that was located in a moderate-income census tract. However, a full-service ATM was added to this location in its place. The bank operates six branches in moderate-income census tracts, or 35.3 percent of its total branches, and all the branches include a full-service ATM. The bank does not operate any branches or ATMs in the assessment area’s low-income census tracts.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	5.8	3.0	3.1
Moderate	6	35.3	8	42.1	22.6	19.0	17.2
Middle	8	47.1	8	42.1	48.1	50.9	49.2
Upper	3	17.6	3	15.8	22.6	27.1	30.5
Unknown	0	0.0	0	0.0	0.9	0.0	0.0
Total	17	100.0	19	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank eighth among 30 FDIC-insured institutions operating in the assessment area. The bank holds a 5.5 percent market share, compared to the market leader Fifth Third Bank N. A., which holds 23.6 percent of the assessment area's deposits.

Independent Bank ranks eighth out of 463 aggregate lenders in 2019 HMDA-reportable transactions. A total of 1,123 originations and purchase transactions were reported by the bank compared to 8,305 reported by market leader Lake Michigan Credit Union. The 2019 CRA Market Peer Report ranks the bank 25th out of 103 reporters. The bank originated or purchased 122 CRA-reportable loans in 2019; whereas, the first ranked institution, JPMorgan Chase Bank NA, originated or purchased 4,555 CRA loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the market with large national lenders, especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Grand Rapids-Kentwood, MI MSA 24340								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	12	5.8	7,778	3.0	3,245	41.7	50,390	19.6
Moderate-income	47	22.6	48,967	19.0	8,743	17.9	46,090	17.9
Middle-income	100	48.1	130,840	50.9	9,866	7.5	57,648	22.4
Upper-income	47	22.6	69,618	27.1	2,420	3.5	103,075	40.1
Unknown-income	2	1.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	208	100.0	257,203	100.0	24,274	9.4	257,203	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	15,395	4,718	1.7	30.6	8,400	54.6	2,277	14.8
Moderate-income	88,989	45,644	16.9	51.3	34,378	38.6	8,967	10.1
Middle-income	206,007	142,330	52.7	69.1	49,637	24.1	14,040	6.8
Upper-income	94,441	77,326	28.6	81.9	12,187	12.9	4,928	5.2
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	404,832	270,018	100.0	66.7	104,602	25.8	30,212	7.5
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	1,305	3.1	1,033	2.8	264	5.8	8	2.2
Moderate-income	7,256	17.2	6,364	17.1	832	18.3	60	16.8
Middle-income	20,698	49.2	18,293	49.2	2,238	49.2	167	46.8
Upper-income	12,837	30.5	11,498	30.9	1,217	26.7	122	34.2
Unknown-income	3	0.0	3	0.0	0	0.0	0	0.0
Total Assessment Area	42,099	100.0	37,191	100.0	4,551	100.0	357	100.0
	Percentage of Total Businesses:			88.3			10.8	0.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
#		%	#	%	#	%	#	%
Low-income	2	0.2	2	0.2	0	0.0	0	0.0
Moderate-income	175	14.6	164	14.6	11	14.5	0	0.0
Middle-income	710	59.4	660	58.9	50	65.8	0	0.0
Upper-income	309	25.8	294	26.3	15	19.7	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,196	100.0	1,120	100.0	76	100.0	0	0.0
Percentage of Total Farms:			93.6			6.4	0.0	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Population Characteristics

The assessment area’s population growth outperformed the state, with an increase of 3.4 percent from 2010 to 2015, compared to an overall gain of 0.2 percent in the state of Michigan, according to U.S. Census Bureau information. Kent and Ottawa Counties account for 60.9 percent and 26.7 percent of the assessment area population, respectively, with the city of Grand Rapids in Kent County and several smaller cities located in Ottawa County. According to a community representative, the city of Grand Rapids has experienced an influx in population, as the city strives to be a destination for young professionals and aging homeowners from outside the region. The more rural areas continue to lag in comparison in population as Michigan trends towards higher rates of urbanization.

The table below presents population change in the MSA, the counties which comprise the bank’s assessment area, and the states to which the counties belong between 2010 and 2015.

Population Change 2010 and 2011-2015			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Ionia County, MI	63,905	64,064	0.2
Kent County, MI	602,622	622,590	3.3
Montcalm County, MI	63,342	63,004	-0.5
Ottawa County, MI	263,801	273,136	3.5
Grand Rapids-Kentwood, MI MSA	988,938	1,022,794	3.4
State of Michigan	9,883,640	9,900,571	0.2
<i>Source: 2010 – U.S. Census Bureau: Decennial Census 2011-2015 – U.S. Census Bureau: Decennial Census: American Community Survey</i>			

Income Characteristics

Overall, median family income grew across the MSA, the counties comprising the assessment area, and the state of Michigan between 2010 and 2015. Additionally, the percentage of change in the individual counties trended at rates above the state of Michigan. The MSA, at a percentage of 5.4 percent, fell in between the individual counties and state of Michigan. During the 2011-2015 ACS time period, Ottawa County had the highest median family income compared to all other areas assessed; this is consistent with 2006-2010. Again, as mentioned above, a community representative stated the Grand Rapids area and the more urban areas have experienced an influx of families moving into the city over the last five to 10 years, especially of high-income earners. This is a result of the city of Grand Rapids striving to be a destination for young professionals.

Within the assessment area, there are 257,203 total families, 19.6 percent of families are designated as low-income, and 17.9 percent are moderate-income. Montcalm County has the highest percentage of low- and moderate-income families at 52.3 percent, and Ottawa County has the

lowest at 32.5 percent. The percentage of families living in poverty in the assessment area at 9.4 percent, is below the state of Michigan level at 11.9 percent.

The table below presents median family change in the MSA, the counties in the assessment area, and the state of Michigan between 2010 and 2015.

Median Family Income Change 2006-2010 and 2011-2015			
Area	2006-2010 Median Family Income (\$)	2011-2015 Median Family Income (\$)	Percentage Change (%)
Ionia County, MI	54,595	57,660	5.6
Kent County, MI	61,097	65,290	6.9
Montcalm County, MI	46,673	49,442	5.9
Ottawa County, MI	65,474	70,378	7.5
Grand Rapids-Kentwood, MI MSA	61,182	64,496	5.4
State of Michigan	60,341	62,247	3.2
<i>Source: 2006-2010 – U.S. Census Bureau: American Community Survey 2011-2015 – U.S. Census Bureau: American Community Survey</i>			

According to data from the Administrative Office of the U.S. Courts, personal bankruptcy filing rates have remained stable from 2016 through 2019. All counties in the assessment maintained a bankruptcy filing ratio (per 1,000 population) of 2.1 percent or below, from 2016 to 2019. The state of Michigan maintained a bankruptcy filing ratio (per 1,000 population) of 3.0.

Housing Characteristics

According to 2019 FFIEC Census data, there are a total of 404,832 housing units in the assessment area. The majority of housing units are owner-occupied at 66.7 percent, while 25.8 percent are rental units. Although only 7.5 percent of housing units are vacant in the assessment area, low- and moderate-income census tracts experience a higher percentage of vacancy when compared to middle- and upper-income census tracts. Within low-income census tracts, 30.7 percent of housing units are owner-occupied, with the majority of housing units being rental units at 54.6 percent. The remaining 14.8 percent of housing units in low-income census tracts are vacant. Within moderate-income tracts, owner-occupied units comprise 51.3 percent of housing units, rental units make up 38.6 percent, and vacant units comprise 10.1 percent. The lower percentage of owner-occupied housing in low-income census tracts indicates significantly fewer lending opportunities in those areas.

The assessment area median housing values have experienced declines, between 2006-2010 and 2011-2015 ACS data. The median values in Ottawa County, continue to be the highest in the assessment area and the state of Michigan. More specifically, during the 2011-2015 ACS period, Ottawa County, had the highest housing value and experienced the lowest decline in value, with a median housing value of \$155,400 (3.6 percent decline); comparatively the assessment area had a median housing value of \$139,507 (6.9 percent decline) and the state of Michigan (\$122,400) a 15.1 percent decline. Median gross rent values increased across the assessment area and the state of

Michigan. While, Ottawa County had the highest median gross rent (\$792), the increase (9.1 percent) from 2006-2010 was the least in the assessment area. Comparatively, the MSA and state of Michigan had median gross rents of \$765 and \$783, respectively.

A common method to compare relative affordability of housing across geographic areas is the affordability ratio, which is defined in Appendix E. Based on a review of housing affordability ratios, housing in the assessment area is less affordable when compared to the state of Michigan. An area with a higher ratio generally has more affordable housing than an area with a lower ratio. During the 2011-2015 ACS time period, the affordability ratio of the assessment area was 0.38 and the state of Michigan was 0.41.

Please review the table below for more detail on trends in housing costs across the noted areas.

Trends in Housing Costs							
Location	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)	2011-2015 Affordability Ratio
Ionia County, MI	123,700	110,000	-11.1	616	696	13.0	0.45
Kent County, MI	147,600	139,300	-5.6	699	767	9.7	0.38
Montcalm County, MI	112,700	94,100	-16.5	618	692	12.0	0.44
Ottawa County, MI	161,200	155,400	-3.6	726	792	9.1	0.38
Grand Rapids-Kentwood, MI MSA	149,805	139,507	-6.9	699	765	9.4	0.38
State of Michigan	144,200	122,400	-15.1	723	783	8.3	0.41

Source: U.S. Census Bureau: American Community Survey

Employment Characteristics

Based on the most recent data available from the Bureau of Labor Statistics (i.e, 2016-2019), unemployment rates experienced consistent declines across all geographical areas. In 2016, Montcalm County had the highest rates of unemployment among the related geographical areas at 5.0 percent. By 2019, with the economy well into recovery, unemployment rate had dropped to 4.1 percent, but was still higher than all other counties in the assessment area. The state of Michigan in 2019, also at 4.1 percent, maintained a higher unemployment rate, when compared to all other areas. Trends in unemployment rates do, however, indicate continued economic improvement for the assessment area since the previous economic recession. The table below presents the unemployment rate in the MSA, the counties which comprise it and the state of Michigan between 2016 and 2019.

Unemployment Rates (%) 2016 to 2019				
Region	2016	2017	2018	2019
Ionia County, MI	4.1	3.9	3.4	3.4
Kent County, MI	3.4	3.4	3.0	2.9
Montcalm County, MI	5.0	4.9	4.2	4.1
Ottawa County, MI	3.2	3.2	2.8	2.8
Grand Rapids-Kentwood, MI MSA	3.4	3.5	3.0	2.9
State of Michigan	4.9	4.9	4.1	4.1

Source: U.S. Bureau of Labor Statistics

Major Employers

The assessment area is home to several large businesses that employ a substantial portion of the local population. Spectrum Health Hospitals continues to be the largest employer in the area with 21,490 employees. In addition to health care, manufacturing industries have a large impact on the employment conditions of the assessment area. A community representative stated that during the review period, businesses in the area continue to face the challenge of attracting qualified workers.

The table below presents the largest employers in the assessment area.

Largest Employers in the Assessment Area		
Company	Number of Employees	Industry
Spectrum Health Hospitals	21,490	Hospitals
Amway Corp	4,000	Direct Selling Establishments
SpartanNash Co	3,000	Grocers-Wholesale
GenTex Corp	3,000	Engineers
Wolverine World Wide Inc	2,500	Shoes-Manufacturers
Metro Health Hospital	2,011	Hospital
Pine Rest Psych Urgent Care	2,000	Psychiatric Hospital
Meijer Inc	2,000	Grocers-Retail

Source: Business information provided by Infogroup®, Omaha, NE

Community Representative

A community representative was contacted to provide information about local housing, employment, and other economic conditions within the assessment area. The representative identified affordable housing and lending support for LMI individuals as the assessment area's greatest needs. The representative indicated there is a high demand for new affordable residential real estate in the MSA, including both single-family homes and apartments. Further, the contact discussed that during the review period, businesses within the assessment area were finding it difficult to attract new qualified workers. The representative did note that financial institutions are active in providing LMI individuals with financial education; however, financial support would be more beneficial.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN GRAND RAPIDS, MI MSA #24340

LENDING TEST

The geographic distribution of loans reflects good penetration throughout the assessment area. The distribution of borrowers reflects, given the product lines offered, good penetration among customers of different income levels and businesses of different sizes. The bank is a leader in making community development loans and makes use of innovative and flexible lending practices in serving assessment area needs.

Geographic Distribution of Loans

The bank's lending activities reflect good distribution throughout the assessment area.

Independent Bank originated HMDA- and CRA-reportable loans in 88.5 percent of the 208 census tracts in the assessment area in 2019. These loans penetrated seven of the 12 low-income census tracts and 42 of the 47 moderate-income census tracts. This is similar to geographic penetration across census tracts in 2018, where the bank originated loans in 85.0 percent of the 206 census tracts, including six of the 13 low-income census tracts and 40 of the 44 moderate-income census tracts. There were no conspicuous gaps in HMDA- and CRA-reportable lending across the bank's assessment area.

A breakdown of the bank's HMDA- and CRA-reportable lending is discussed in more detail below by individual products. Specific to HMDA-reportable lending, due to limited lending activity only home purchase, refinance and home improvement loans will be discussed. As it relates to CRA-reportable lending, only small business loans are discussed as the bank did not originate any CRA-reportable small farm loans in the assessment area during the review period.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank originated 1.5 percent of its home purchase loans, by number volume, in low-income census tracts. This was comparable to both the aggregate of lenders, which made 2.6 percent, by number, of HMDA-reportable home purchase loans in these census tracts, and the percentage of owner-occupied units in low-income census tracts, at 1.7 percent. Finding opportunities to lend in low-income census tracts continues to be difficult with 54.6 percent of the housing serving as rental property and 14.8 percent of the properties listed as vacant. The bank made 16.9 percent, by number, of its home purchase loans in moderate-income census tracts in 2019. Again, this was consistent with both the aggregate of lenders and the percentage of owner-occupied units within such tracts, at 18.5 percent and 16.9 percent, respectively.

As seen in the 2018 lending table located in Appendix C, home purchase lending was consistent with 2019 lending, where the bank's originations in the low-income tracts, at 2.4 percent compared to 2.7 percent by aggregate lenders and 1.9 percent of owner-occupied units available in those tracts. Similar to 2019, home purchase loans originated in moderate-income tracts in 2018, at 18.2 percent by number, was consistent to aggregate lenders who made 17.7 percent of loans and the percentage of owner-occupied units in moderate-income tracts at 16.6 percent.

In 2019, the bank made 46.8 percent of its home purchase loans, by number, in middle-income census tracts, which was below both the percentage by aggregate lenders and the percentage of owner-occupied units within such tracts, at 51.5 percent and 52.7 percent, respectively. As it relates to upper-income census tracts, the bank made 34.8 percent, by number, of its home purchase loans in such tracts, which exceeded the percentage by aggregate lenders (27.4 percent) and the percentage of owner-occupied units within these tracts (28.6 percent).

The bank's lending activity in 2018, as it relates to home purchase loans originated in middle- and upper-income census tracts, reflected similar outcomes to that of 2019. More specifically, the bank made 49.5 percent of its 2018 home purchase loans in middle-income census tracts, below both the aggregate lenders at 54.2 percent and the percentage of owner-occupied housing in middle-income census tracts at 54.3 percent. Within upper-income census tracts, the bank made 29.9 percent of its 2018 home purchase loans, slightly above the percentage of aggregate lenders at 25.4 percent, but comparable to the percentage of owner-occupied housing in upper-income census tracts at 27.3 percent.

Refinance Loans

In 2019, the bank made 0.6 percent of its refinance loans, by number, in low-income census tracts. This resulted in comparable performance with both the percentage by aggregate lenders at 1.1 percent and the percentage of owner-occupied units in low-income census tracts at 1.7 percent. The bank made 13.8 percent of its refinance loans in moderate-income census tracts, which was similar to the percentage of loans made by aggregate lenders at 12.9 percent and just slightly below the percentage of owner-occupied units in these tracts at 16.9 percent.

Refinance lending performance in low- and moderate-income census tracts in 2018 is consistent with that of 2019. To summarize, the bank made 1.3 percent of its refinance loans, by number, in low-income census tracts. This resulted in comparable performance with both the percentage by aggregate lenders at 1.6 percent and the percentage of owner-occupied units in low-income census tracts at 1.9 percent. The bank originated 14.0 percent of its refinance loans in moderate-income census tracts. This is comparable to both the percentage by aggregate lenders at 15.5 percent and the percentage of owner-occupied units in those tracts at 16.6 percent.

The bank made 53.5 percent of its refinance loans, by number, in middle-income census tracts in 2019. This was consistent with the performance of the aggregate of lenders which made 51.6 percent of such loans and the percentage of owner-occupied units at 52.7 percent. Similarly, the

bank's performance was consistent with the percentage by aggregate lenders (34.4 percent) and just slightly above the percentage of owner-occupied units (28.6 percent) within upper-income census tracts by originating 32.1 percent of its refinance loans in such tracts in 2019.

Refinance lending in middle- and upper-income census tracts in 2018 reflected similar outcomes to 2019. The bank made 51.0 percent of its refinance loans in middle-income census tracts, which was comparable to the aggregate lenders who made 54.0 percent and the percentage of owner-occupied housing in middle-income census tracts at 54.3 percent. However, the bank's performance exceeded the percentage of aggregate lenders at 28.9 percent and the percentage of owner-occupied housing in upper-income census tracts at 27.3 percent, by originating 33.8 percent of its refinance loans in these tracts.

Home Improvement

In 2019, the bank made 0.9 percent of its home improvement loans, by number, in low-income census tracts. This resulted in comparable performance with both the percentage by aggregate lenders at 1.6 percent and the percentage of owner-occupied units in low-income census tracts at 1.7 percent. The bank made 13.2 percent of its home improvement loans in moderate-income census tracts, which was similar to the percentage of loans made by aggregate lenders at 11.7 percent, and just slightly below the percentage of owner-occupied units in these tracts at 16.9 percent.

Home improvement lending performance in low- and moderate-income census tracts in 2018 is consistent with that of 2019. Although the bank did not originate any home improvement loans in the low-income census tracts, this resulted in comparable performance with both the percentage by aggregate lenders at only 1.4 percent and the percentage of owner-occupied units in low-income census tracts at 1.9 percent. The bank originated 9.6 percent of its refinance loans in moderate-income census tracts. This is comparable to the percentage by aggregate lenders at 10.8 percent, and below the percentage of owner-occupied units in those tracts at 16.6 percent.

The bank made 53.8 percent of its home improvement loans, by number, in middle-income census tracts in 2019. This was consistent with the performance of the aggregate of lenders which made 51.8 percent of such loans and the percentage of owner-occupied units at 52.7 percent. Similarly, the bank's performance was just slightly below the percentage by aggregate lenders (35.0 percent) and comparable to the percentage of owner-occupied units (28.6 percent) in upper-income census tracts by originating 31.1 percent of its home improvement loans in such tracts in 2019.

Home improvement lending in middle- and upper-income census tracts in 2018 reflected similar outcomes to 2019. The bank made 46.6 percent of its home improvement loans in middle-income census tracts, which was below both the aggregate lenders who made 53.7 percent and the percentage of owner-occupied housing in middle-income census tracts at 54.3 percent. However, the bank's performance exceeded the percentage of the aggregate lenders at 34.1 percent and significantly exceeded the percentage of owner-occupied housing in upper-income census tracts at

27.3 percent, by originating 43.8 percent of its refinance loans in these tracts.

The table below presents the 2019 geographic distribution of HMDA-reportable loans in the assessment area. The 2018 geographic distribution table of HMDA-reportable loans can be found in Appendix C.

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2019 Grand Rapids-Kentwood, MI MSA 24340							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2019			Dollar		
		Count Bank		Agg	Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	9	1.5	2.6	1,275	1.0	1.7
	Moderate	98	16.9	18.5	13,933	10.7	13.0
	Middle	272	46.8	51.5	56,049	42.9	48.8
	Upper	202	34.8	27.4	59,398	45.5	36.5
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		581	100.0	100.0	130,655	100.0
Refinance	Low	2	0.6	1.1	357	0.6	1.7
	Moderate	47	13.8	12.9	5,276	8.3	16.9
	Middle	182	53.5	51.6	32,326	50.7	52.7
	Upper	109	32.1	34.4	25,782	40.4	28.6
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		340	100.0	100.0	63,741	100.0
Home Improvement	Low	1	0.9	1.6	10	0.1	1.7
	Moderate	14	13.2	11.7	673	8.9	16.9
	Middle	57	53.8	51.8	3,971	52.5	52.7
	Upper	33	31.1	35.0	2,879	38.1	28.6
	Unknown	1	0.9	0.0	25	0.3	0.0
	Total		106	100.0	100.0	7,558	100.0
Multi-Family	Low	0	0.0	1.2	0	0.0	Multi-Family 4.2
	Moderate	2	100.0	33.7	11,351	100.0	13.4
	Middle	0	0.0	49.4	0	0.0	64.6
	Upper	0	0.0	15.7	0	0.0	21.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		2	100.0	100.0	11,351	100.0
Other Purpose LOC	Low	0	0.0	0.6	0	0.0	0.2
	Moderate	0	0.0	10.8	0	0.0	6.3
	Middle	0	0.0	49.5	0	0.0	44.3
	Upper	0	0.0	39.2	0	0.0	49.1
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	1.2	0	0.0	1.1
	Moderate	0	0.0	17.0	0	0.0	10.5
	Middle	0	0.0	54.1	0	0.0	48.3
	Upper	0	0.0	27.7	0	0.0	40.1
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	2.5	0	0.0	1.0
	Moderate	0	0.0	22.3	0	0.0	16.1
	Middle	0	0.0	58.4	0	0.0	58.8
	Upper	0	0.0	16.8	0	0.0	24.1
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	12	1.2	1.8	1,642	0.8	1.7
	Moderate	161	15.6	15.5	31,233	14.6	16.9
	Middle	511	49.7	51.6	92,346	43.3	49.0
	Upper	344	33.4	31.1	88,059	41.3	38.6
	Unknown	1	0.1	0.0	25	0.0	0.0
	Total		1,029	100.0	100.0	213,305	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

CRA-Reportable Lending

Small Business Loans

In 2019, the bank's performance was consistent with the percentage by aggregate lenders and the percentage of total businesses within low-income census tracts. The bank made 4.1 percent of CRA-reportable small business loans, by number, in low-income census tracts, compared to the aggregate of lenders at 3.4 percent, and the percentage of total businesses in such tracts at 3.1 percent. The bank made 24.6 percent, by number, of its CRA-reportable small business loans in moderate-income census tracts. This exceeded both the percentage by aggregate lenders (15.9 percent) and the percentage of total businesses located in moderate-income census tracts (17.2 percent).

The bank's CRA-reportable small business lending in 2018 reflected similar activity in low- and moderate-income census tracts when compared to 2019. The bank's rate (1.8 percent) was similar to the that of aggregate lenders (3.4 percent) and the percentage of total businesses in low-income census tracts (3.2 percent). The bank originated 21.2 percent of its small business loans in moderate-income census tracts in 2018, performing slightly above aggregate lenders and the percentage of total businesses, at 15.6 percent and 17.0 percent, respectively.

The bank made 36.9 percent of its small business loans, by number, in middle-income census tracts. This was significantly below the percentage by aggregate lenders at 47.4 percent, by number, and the percent of total businesses that are located in these tracts at 49.2 percent. The bank made 34.4 percent of its small business loans, by number, in upper-income census tracts which was comparable to the percentage by aggregate lenders at 32.1 percent and slightly above the percent of total businesses in these census tracts at 30.5 percent.

The bank's CRA-reportable small business lending in 2018 was comparable to 2019 in middle- and upper-income census tracts. The bank made 44.2 percent of its small business loans, by number, in middle-income census tracts, which is slightly below the percentage by aggregate lenders at 48.9 percent and below the percentage of total businesses in these census tracts at 50.1 percent. Small business lending in upper-income census tracts, at 32.7 percent by number, was comparable to both the percentage by aggregate lenders at 31.2 percent and above the percentage of small businesses located in upper-income census tracts at 29.7 percent.

The table below presents the geographic distribution of CRA-reportable small business loans in the assessment area in 2019. The lending table showing geographic distribution of small business loans in 2018 can be found in Appendix C.

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Grand Rapids-Kentwood, MI MSA 24340								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count		Dollar				
		Bank	Agg	Bank	Agg	Bank	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	5	4.1	3.4	1,650	5.0	4.5	3.1
	Moderate	30	24.6	15.9	7,532	22.8	17.2	17.2
	Middle	45	36.9	47.4	12,400	37.5	48.5	49.2
	Upper	42	34.4	32.1	11,463	34.7	29.6	30.5
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			1.2			0.2	
	Total	122	100.0	100.0	33,045	100.0	100.0	100.0
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Lending to Borrowers of Different Income Levels and Lending to Businesses of Different Sizes

The bank’s lending activities reflect good distribution, particularly in its assessment area, of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

A breakdown of the bank’s HMDA- and CRA-reportable lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank made 8.4 percent of its home purchase loans, by number, to low-income borrowers, consistent with the percentage by aggregate lenders at 8.6 percent, but significantly below the demographic figure, at 19.6 percent, of assessment area families of low-income. The bank made 18.1 percent of its home purchase loans, by number, to moderate-income borrowers. This resulted in the bank under-performing the percentage by aggregate lenders at 24.8 percent, but was comparable to the percentage of moderate-income families within the assessment area at 17.9 percent.

As seen in the 2018 table in Appendix C, the bank’s performance of lending to low- and moderate-income borrowers was consistent with its performance in 2019. The bank originated 8.9 percent, by number, of home purchase loans to low-income borrowers. This was consistent with the percentage by aggregate lenders at 9.3 percent while significantly below the percentage of low-income families in the assessment area at 19.6 percent. The bank’s originated 20.4 percent of its

home purchase loans to moderate-income borrowers which was slightly below the percentage by aggregate lenders at 23.8 percent but consistent with the percentage of moderate-income families in the assessment area at 18.1 percent.

In 2019, the bank made 24.1 percent of its home purchase loans, by number, to middle-income borrowers, which was consistent with the percentage by aggregate lenders at 24.8 percent and the percentage of middle-income families in the assessment area at 22.4 percent. The bank made 47.0 percent of its home purchase loans to upper-income borrowers, significantly exceeding the percentage by aggregate lenders at 33.3 percent, by number, and exceeding the percentage of upper-income families in the assessment area at 40.1 percent. Lastly, the bank made 2.4 percent of its home purchase loans, by number, to borrowers of unknown income, which was below the percentage by aggregate lenders at 8.4 percent.

The bank's home purchase lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 20.6 percent of home purchase loans, by number, to middle-income borrowers. This was comparable to the percentage by aggregate lenders at 23.3 percent and the percentage of middle-income families in the assessment area at 22.5 percent. Lending to upper-income borrowers, at 48.1 percent, was also significantly above the percentage by aggregate lenders at 32.4 percent, and above the percentage of upper-income families in the assessment area at 39.8 percent. Lastly, the bank also originated 2.0 percent of its home purchase loans, by number, to borrowers of unknown income. This is below the aggregate lenders, which originated 11.2 percent to borrowers of unknown income.

Refinance Loans

In 2019, the bank made 7.9 percent of its refinance loans, by number, to low-income borrowers, which was comparable to the percentage by aggregate lenders at 7.0 percent. However, the bank's refinance lending was significantly below the percentage of low-income families within the assessment area at 19.6 percent. The bank made 18.5 percent of its refinance loans, by number, to moderate-income borrowers. This was comparable to both the percentage by aggregate lenders at 19.5 percent, and to the percentage of moderate-income families in the assessment area at 17.9 percent.

The bank's lending performance to low-income borrowers was slightly below the performance exhibited in 2019. The bank originated 7.0 percent of refinance loans to low-income borrowers in 2018, performing slightly below the percentage by aggregate lenders and significantly below the percentage of low-income families within the assessment area. The bank's 2018 refinance lending to moderate-income borrowers, was comparable to the percentage by aggregate lenders and just slightly above the percentage of moderate-income families within the assessment area.

In 2019, the bank made 26.2 percent of its refinance loans, by number, to middle-income borrowers, which was consistent to the percentage by aggregate lenders at 24.0 percent and the percentage of middle-income families at 22.4 percent. The bank made 44.1 percent of its refinance

loans, by number, to upper-income borrowers, which exceeded both the percentage by aggregate lenders 39.2 percent and the percentage of upper-income families within the assessment area at 40.1 percent. Lastly, the bank made 3.2 percent of its refinance loans, by number, to borrowers of unknown income, falling below the percentage by aggregate of lenders at 10.3 percent.

The bank's refinance lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 7.0 percent of its refinance loans to middle-income borrowers, which was slightly below the percentage by aggregate lenders at 10.7 percent and significantly below the percentage of middle-income families in the assessment area at 19.6 percent. Lending to upper-income borrowers, at 43.9 percent, by number, also significantly exceeded the percentage by aggregate lenders at 33.0 percent and exceeded the percentage of upper-income families in the assessment area at 39.8 percent. The bank made 1.9 percent of its refinance loans to unknown-income borrowers in 2018, falling below the percentage by aggregate of lenders at 10.0 percent.

Home Improvement Loans

In 2019, the bank made 4.7 percent of its refinance loans, by number, to low-income borrowers, which was comparable to the percentage by aggregate lenders at 6.9 percent. However, the bank's refinance lending was significantly below the percentage of low-income families within the assessment area at 19.6 percent. The bank made 17.0 percent of its refinance loans, by number, to moderate-income borrowers. This was comparable to both the percentage by aggregate lenders at 19.2 percent, and to the percentage of moderate-income families in the assessment area at 17.9 percent.

The bank's lending performance to low-income borrowers was slightly below the performance exhibited in 2019. The bank originated 1.4 percent of home improvement loans to low-income borrowers in 2018, which was below the percentage by aggregate lenders and significantly below the percentage of low-income families within the assessment area. The bank's 2018 home improvement lending, at 11.0 percent to moderate-income borrowers, was also below both the percentage by aggregate lenders and the percentage of moderate-income families within the assessment area.

In 2019, the bank made 20.8 percent of its home improvement loans, by number, to middle-income borrowers, which was below the percentage by aggregate lenders at 26.1 percent, but comparable to the percentage of middle-income families at 22.4 percent. The bank made 51.9 percent of its home improvement loans, by number, to upper-income borrowers, which exceeded the percentage by aggregate lenders 45.5 percent and significantly exceeded the percentage of upper-income families within the assessment area at 40.1 percent. Lastly, the bank made 5.7 percent of its home improvement loans, by number, to borrowers of unknown income, which was slightly above the percentage by aggregate of lenders at 2.3 percent.

The bank's home improvement lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 28.8 percent of its home improvement loans to middle-income borrowers, which was comparable to the percentage by aggregate lenders at 27.0 percent while

exceeding the percentage of middle-income families in the assessment area at 22.5 percent. Lending to upper-income borrowers, at 56.2 percent, by number, significantly exceeded both the percentage by aggregate lenders at 43.7 percent, and the percentage of upper-income families in the assessment area at 39.8 percent. The bank made 2.7 percent of its refinance loans to unknown-income borrowers in 2018, consistent with the percentage by aggregate of lenders at 2.6 percent.

The table below presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019. The table for borrower distribution of HMDA-reportable loans in 2018 can be found in Appendix C.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Grand Rapids-Kentwood, MI MSA 24340								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		2019		2019				
		Count Bank		Agg	Dollar Bank			Agg
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	49	8.4	8.6	5,311	4.1	4.8	19.6
	Moderate	105	18.1	24.8	14,887	11.4	18.3	17.9
	Middle	140	24.1	24.8	26,671	20.4	22.5	22.4
	Upper	273	47.0	33.3	81,101	62.1	46.2	40.1
	Unknown	14	2.4	8.4	2,685	2.1	8.3	0.0
	Total		581	100.0	100.0	130,655	100.0	100.0
Refinance	Low	27	7.9	7.0	2,220	3.5	3.7	19.6
	Moderate	63	18.5	19.5	7,249	11.4	13.6	17.9
	Middle	89	26.2	24.0	14,752	23.1	20.7	22.4
	Upper	150	44.1	39.2	37,950	59.5	50.5	40.1
	Unknown	11	3.2	10.3	1,570	2.5	11.6	0.0
	Total		340	100.0	100.0	63,741	100.0	100.0
Home Improvement	Low	5	4.7	6.9	265	3.5	4.9	19.6
	Moderate	18	17.0	19.2	949	12.6	14.4	17.9
	Middle	22	20.8	26.1	869	11.5	22.3	22.4
	Upper	55	51.9	45.5	4,898	64.8	55.7	40.1
	Unknown	6	5.7	2.3	577	7.6	2.8	0.0
	Total		106	100.0	100.0	7,558	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	19.6
	Moderate	0	0.0	0.0	0	0.0	0.0	17.9
	Middle	0	0.0	0.0	0	0.0	0.0	22.4
	Upper	0	0.0	6.0	0	0.0	0.6	40.1
	Unknown	2	100.0	94.0	11,351	100.0	99.4	0.0
	Total		2	100.0	100.0	11,351	100.0	100.0
Other Purpose LOC	Low	0	0.0	8.3	0	0.0	4.6	19.6
	Moderate	0	0.0	18.5	0	0.0	12.6	17.9
	Middle	0	0.0	24.1	0	0.0	19.4	22.4
	Upper	0	0.0	46.6	0	0.0	60.8	40.1
	Unknown	0	0.0	2.5	0	0.0	2.6	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	9.2	0	0.0	6.2	19.6
	Moderate	0	0.0	20.5	0	0.0	14.2	17.9
	Middle	0	0.0	28.0	0	0.0	20.0	22.4
	Upper	0	0.0	39.9	0	0.0	55.8	40.1
	Unknown	0	0.0	2.4	0	0.0	3.9	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	1.1	0	0.0	0.4	19.6
	Moderate	0	0.0	1.1	0	0.0	1.8	17.9
	Middle	0	0.0	1.1	0	0.0	1.5	22.4
	Upper	0	0.0	2.2	0	0.0	4.0	40.1
	Unknown	0	0.0	94.4	0	0.0	92.3	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	81	7.9	7.8	7,796	3.7	4.1	19.6
	Moderate	186	18.1	21.7	23,085	10.8	15.3	17.9
	Middle	251	24.4	24.4	42,292	19.8	20.5	22.4
	Upper	478	46.5	37.0	123,949	58.1	45.9	40.1
	Unknown	33	3.2	9.1	16,183	7.6	14.3	0.0
	Total		1,029	100.0	100.0	213,305	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

CRA-Reportable Lending

Small Business Loans

In 2019, the bank made 44.3 percent of its small business loans, by number, to businesses reporting annual revenues of \$1.0 million or less, which was comparable to the percentage by aggregate lenders at 43.3 percent. Of these loans, 37.0 percent had a loan amount of \$100,000 or less, which is reflective of loans most responsive to the smallest businesses. Businesses reporting annual revenues of \$1.0 million or less represented 88.3 percent of assessment area businesses. Area competition may contribute to the bank's small business lending performance being significantly below the percentage of small businesses within the assessment area, which is further evidenced by the top CRA reporters comprising larger national banks within the assessment area for both 2018 and 2019. In addition, there is a significant number of businesses reporting annual revenues of \$1.0 million or less within the assessment area, making comparison to the percentage by aggregate lenders more appropriate and weighted heavier in determining the borrower distribution conclusion for CRA-reportable small business loans.

As seen in the 2018 table in Appendix C, the bank's record of lending to businesses of different revenue sizes was consistent with 2019 lending. Of the bank's total business loans, 40.7 percent were originated to businesses with revenues of \$1.0 million or less. This was consistent with the percentage by aggregate lenders (42.2 percent). Of the bank's total small business loans made to businesses with revenues of \$1.0 million or less, 50.0 percent were loan amounts of \$100,000 or less. The bank's performance was below the percent of businesses reporting annual revenues of \$1.0 million or less within the assessment area at 87.8 percent.

The table below presents the borrower distribution of small business loans in the assessment area in 2019. The borrower distribution table for small business loans in 2018 can be found in Appendix C.

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2019 Grand Rapids-Kentwood, MI MSA 24340								
Product Type		Bank & Aggregate Lending Comparison						
		Count		2019				Total Businesses %
		Bank #	%	Agg %	Dollar		Agg \$ %	
Bank \$ 000s	\$ %							
Revenue	\$1 Million or Less	54	44.3	43.3	13,864	42.0	23.6	88.3
	Over \$1 Million or Unknown	68	55.7	56.7	19,181	58.0	76.4	11.7
Total		122	100.0	100.0	33,045	100.0	100.0	100.0
Loan Size	\$100,000 or Less	43	35.2	86.5	2,859	8.7	21.3	
	\$100,001 - \$250,000	29	23.8	5.6	5,132	15.5	14.4	
	\$250,001 - \$1 Million	50	41.0	7.9	25,054	75.8	64.3	
	Total	122	100.0	100.0	33,045	100.0	100.0	
Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	20	37.0		1,023	7.4		
	\$100,001 - \$250,000	12	22.2		2,017	14.5		
	\$250,001 - \$1 Million	22	40.7		10,824	78.1		
	Total	54	100.0		13,864	100.0		

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Community Development Lending

The bank is a leader in making community development loans and makes use of innovative and/or flexible lending practices in the communities it serves. During the evaluation period, the bank extended 48 loans for \$137.2 million; this represents a 267.1 percent increase in the dollar amount of loans compared to the prior evaluation period when the bank extended 15 loans in the amount of \$37.4 million. Twenty-five of the 48 loans were new originations. Community development loans focused on affordable housing, community services, economic development, and revitalization efforts, as displayed in the table below. The majority of community development loans originated with the purpose of revitalize/stabilize were PPP loans. These loans were designed to assist the efforts of small businesses and to keep these businesses' workforce employed during the COVID-19 pandemic. Through these PPP loans, the bank was responsive to the specific credit needs of the assessment area during a difficult time. Other community development loans focused on providing affordable housing to LMI individuals and specific services to LMI individuals, such as mental health services and medical care assistance.

Community Development Loans										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Grand Rapids MSA	2	9,888	6	9,236	3	13,353	37	104,678	48	137,155

INVESTMENT TEST

The bank made an excellent level of qualified community development investments and grants, occasional use of innovative and complex investments and good responsiveness to credit and community development needs.

The bank made an excellent level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. During the review period, the bank made approximately \$8.8 million in new investments. The bank did not maintain any prior period investments in the assessment area. However, total investment activity increased 36.3 percent since the previous evaluation. During that time, Independent Bank made \$6.5 million in total investments.

The bank's donations totaled \$353,213 within the delineated assessment area. This is an increase from the previous evaluation during which time donations totaled \$74,243 in the assessment area. Donations were primarily for community service organizations offering pandemic recovery services, providing food to low-income residents, and assistance to low-income and at-risk children.

The bank exhibits good responsiveness to credit and community development needs. The community representative stated that the assessment area needs affordable housing. Of the \$8.8 million in total qualified community development investments, \$6.1 million went towards affordable housing investments within the assessment area.

Community Development Investments										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Grand Rapids MSA	7	6,076	1	2,750	0	0	0	0	8	8,826

Community Development Contributions										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Full Scope Review										
Grand Rapids MSA	10	17,350	58	210,363	6	118,500	4	7,000	78	353,213

SERVICE TEST

Delivery systems are accessible to the bank's geographies and individuals of different income levels in the assessment area. The bank's record of opening and closing branches has generally not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and individuals. Services do not vary in a way that inconveniences the bank's assessment area, particularly to LMI geographies and individuals. Independent Bank is a leader in providing community development services to the assessment area.

Retail Services

The bank's retail delivery services are accessible to geographies and individuals of different income levels in its assessment area. The bank maintains six of 17 branches in the assessment area in moderate-income tracts. To the extent changes have been made, its record of opening and closing branches has generally not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals. Since the previous evaluation, the bank closed one branch in a moderate-income census tract; however, a full-service ATM was added to this location.

Its services do not vary in a way that inconveniences its assessment area, particularly low- or moderate-income geographies or low- or moderate-income individuals. The bank offers a standard range of products and services at all locations. Bank employees are available to meet with individuals as necessary, and the bank's ATM, telephone, mobile, and internet banking options expand the availability of services beyond the branch's regular operating hours, which typically range from 9:00 a.m. to 5:00p.m. Monday through Thursday, 9:00a.m. to 6:00 p.m. Friday, and 9:00 a.m. to 12:00 p.m. on Saturday.

Community Development Services

The bank is a leader in providing community development services to its assessment area. The bank contributed 2,231 hours of service to the Grand Rapids MSA. This is a 44.4 percent increase in hours contributed since the previous evaluation, during which time the bank contributed 1,545 hours of service to its community. Although the bank faced challenges as a result of the COVID-19 pandemic that started in 2020 which limited opportunities for the bank to provide many of the services that would have previously provided in an in-person environment, the bank was able to remain responsive to the assessment area, providing essential services virtually.

The vast majority of hours served, 1,793, fell into the community services designation. Bank employees served on nonprofit boards of directors, donating their time and technical knowledge to these local organizations. An additional 275 hours of community development services went to serving on the board of an economic development organization.

The table below displays community development services in the assessment area during the review period.

Community Development Services										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Full Scope Review										
Grand Rapids MSA	8	88	70	1,793	12	275	8	75	98	2,231

DETROIT-WARREN-DEARBORN, MI MSA #19820 - Full Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation, with the exception of the review of HMDA-reportable loans. The volume of home improvement originations within the Detroit MSA was sufficient enough to provide a meaningful analysis and was evaluated.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN DETROIT-WARREN-DEARBORN, MI MSA #19820

The Detroit-Warren-Dearborn, MI MSA is comprised of two metropolitan divisions (MDs) that are comprised of six counties, Detroit-Dearborn-Livonia, MI MD (Wayne County) and Warren-Troy-Farmington Hills, MI MD (Lapeer, Livingston, Macomb, Oakland, and St. Clair Counties). During the previous evaluation both MDs were assessed separately; however, for the purposes of this evaluation they will be combined and assessed under the MSA. This is due to the bank expanding operations within Livingston County and consequently including it within their delineated assessment area. The bank delineates the Detroit-Warren-Dearborn, MI MSA taking Wayne, Lapeer, Livingston, Macomb, and Oakland Counties, excluding St. Clair County.

The assessment area is comprised of 1,251 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, 170 census tracts are determined to be low-income, 315 census tracts are designated moderate-income, 385 census tracts are considered middle-income, and 357 census tracts are upper-income. There are 24 census tracts in the assessment area with unknown incomes.

The bank operates 10 branches, nine full-service ATMs and one cash-only ATM, and three loan production offices within the assessment area. Since the previous evaluation, the bank has opened one branch, located in a moderate-income census tract, and closed one branch, that was located in an upper-income census tract. The bank operates five branches in moderate-income census tracts, or 50.0 percent of its total branches. In addition, four of the five branches include a full-service ATM. The bank does not operate any branches or ATMs in the assessment area's low-income census tracts.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	13.6	8.6	7.5
Moderate	5	50.0	5	50.0	25.2	21.6	20.5
Middle	1	10.0	1	10.0	30.8	34.2	31.4
Upper	4	40.0	4	40.0	28.5	35.4	40.1
Unknown	0	0.0	0	0.0	1.9	0.2	0.6
Total	10	100.0	10	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation’s (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank 16th among 42 FDIC-insured institutions operating in the assessment area. The bank holds a 0.2 percent market share, compared to the market leader JPMorgan Chase Bank, N.A., which holds 29.4 percent of the assessment area’s deposits.

Independent Bank ranks 26th out of 624 aggregate lenders in 2019 HMDA-reportable transactions. A total of 1,225 originations and purchase transactions were reported by the bank compared to 18,186 reported by market leader Quicken Loans, LLC. The 2019 CRA Market Peer Report ranks the bank 37th out of 159 reporters. The bank originated or purchased 132 CRA-reportable loans in 2019; whereas, the first ranked institution, JPMorgan Chase Bank, NA, originated or purchased 20,258 CRA-reportable loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the market with large national lenders, especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Detroit-Warren-Dearborn, MI MSA 19820								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	170	13.6	89,261	8.6	38,094	42.7	235,842	22.7
Moderate-income	315	25.2	224,494	21.6	49,928	22.2	171,317	16.5
Middle-income	385	30.8	355,029	34.2	29,622	8.3	194,851	18.8
Upper-income	357	28.5	367,439	35.4	14,878	4.0	435,805	42.0
Unknown-income	24	1.9	1,592	0.2	599	37.6	0	0.0
Total Assessment Area	1,251	100.0	1,037,815	100.0	133,121	12.8	1,037,815	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	219,705	66,878	6.1	30.4	93,384	42.5	59,443	27.1
Moderate-income	455,152	213,581	19.4	46.9	161,487	35.5	80,084	17.6
Middle-income	594,357	399,322	36.3	67.2	148,286	24.9	46,749	7.9
Upper-income	543,945	418,763	38.1	77.0	93,215	17.1	31,967	5.9
Unknown-income	6,352	1,466	0.1	23.1	2,423	38.1	2,463	38.8
Total Assessment Area	1,819,511	1,100,010	100.0	60.5	498,795	27.4	220,706	12.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	14,049	7.5	12,151	7.2	1,828	10.7	70	5.7
Moderate-income	38,267	20.5	33,862	20.1	4,152	24.3	253	20.6
Middle-income	58,650	31.4	53,933	32.0	4,366	25.6	351	28.6
Upper-income	74,935	40.1	67,921	40.3	6,468	37.9	546	44.5
Unknown-income	1,056	0.6	779	0.5	270	1.6	7	0.6
Total Assessment Area	186,957	100.0	168,646	100.0	17,084	100.0	1,227	100.0
	Percentage of Total Businesses:			90.2	9.1		0.7	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
#		%	#	%	#	%	#	%
Low-income	23	1.9	21	1.8	2	6.5	0	0.0
Moderate-income	233	19.3	228	19.4	5	16.1	0	0.0
Middle-income	570	47.2	558	47.5	11	35.5	1	50.0
Upper-income	382	31.6	368	31.3	13	41.9	1	50.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,208	100.0	1,175	100.0	31	100.0	2	100.0
Percentage of Total Farms:			97.3	2.6		0.2		
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Population Characteristics

The population was fairly stable across the MSA, the counties which comprise the bank’s assessment area, and the state of Michigan between 2010 and 2015. According to the 2015 census data, the assessment area population was 4,135,987, with Oakland and Wayne Counties comprising 29.7 percent and 43.0 percent of the total population, respectively. Oakland County had the highest percentage by growth, 2.3 percent, while Wayne County experienced the highest decrease in population at 2.3 percent. A community representative noted that statewide populations seem to be declining, however; locally, the city of Troy (located in Oakland County), appears to be stable.

The table below presents population change in the MSA, the counties which comprise the bank’s assessment area, and the state of Michigan between 2010 and 2015.

Population Change 2010 and 2011-2015			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Lapeer County, MI	88,319	88,235	-0.1
Livingston County, MI	180,967	184,591	2.0
Macomb County, MI	840,978	854,689	1.6
Oakland County, MI	1,202,362	1,229,503	2.3
Wayne County, MI	1,820,584	1,778,969	-2.3
State of Michigan	9,883,640	9,900,571	0.2
<i>Source: 2010 – U.S. Census Bureau: Decennial Census 2011-2015 – U.S. Census Bureau: Decennial Census: American Community Survey</i>			

Income Characteristics

Overall, median family income growth was minimal across the MSA, with two of the five counties comprising the assessment area (Lapeer and Wayne Counties) experiencing a slight decline, and with the exception of Livingston County, all counties fell below the percentage of growth for the states of Michigan. While the median family income for the assessment area, at \$67,300 exceeded the state of Michigan, Wayne County, at \$52,733, fell below both the assessment area and the state of Michigan. According to a community representative, median income in the assessment area has remained fairly consistent assisted by the stable manufacturing and industrial sectors.

Within the assessment area, 22.7 percent of families are designated as low-income, and 16.5 percent are moderate-income. Lapeer County has the highest percentage of low- and moderate-income families at 48.9 percent, and Livingston County has the lowest at 31.1 percent. The percentage of families living below poverty in the assessment area, at 12.8 percent, exceeds the state of Michigan level at 11.9 percent. Wayne County, which contains the city of Detroit, significantly exceeds both the assessment area and the state of Michigan with 19.9 percent of families living below poverty. The table below presents median family change in the MSA, the counties in the assessment area, and

the state of Michigan between 2010 and 2015.

Median Family Income Change 2006-2010 and 2011-2015			
Area	2006-2010 Median Family Income (\$)	2011-2015 Median Family Income (\$)	Percentage Change (%)
Lapeer County, MI	63,061	61,849	-1.9
Livingston County, MI	82,637	85,692	3.7
Macomb County, MI	67,423	67,785	0.5
Oakland County, MI	84,783	87,216	2.9
Wayne County, MI	52,946	52,733	-0.4
State of Michigan	60,341	62,247	3.2
<i>Source: 2006-2010 – U.S. Census Bureau: American Community Survey 2011-2015 – U.S. Census Bureau: American Community Survey</i>			

According to data from the Administrative Office of the U.S. Courts, personal bankruptcy filing rates have remained fairly stable from 2016 through 2019. The state of Michigan (3.0) maintained a slightly higher bankruptcy filing rate (per 1,000 population) than the individual counties, with the exception of Macomb and Wayne Counties, which maintained bankruptcy filing ratios of 4.0 and 5.5, respectively, from 2016 to 2019.

Housing Characteristics

According to 2019 FFIEC Census data, there are a total of 1,819,511 housing units in the assessment area. The majority of housing units are owner-occupied at 60.5 percent, while 27.4 percent are rental units. Although only 12.1 percent of housing units are vacant in the assessment area, LMI census tracts experience a higher percentage of vacancy when compared to middle- and upper-income census tracts. Within low-income census tracts, 30.4 percent of housing units are owner-occupied, with the majority of housing units being rental units at 42.5 percent. The remaining 27.1 percent of housing units in low-income census tracts are vacant. Within moderate-income tracts, owner-occupied units comprise 46.9 percent of housing units, rental units make up 35.5 percent, and vacant units comprise 17.6 percent. The lower percentage of owner-occupied housing in low-income census tracts indicates significantly fewer lending opportunities in those areas.

Based on 2006-2010 and 2011-2015 ACS data, median housing values in all counties that comprise the assessment area experienced declines, with Wayne County experiencing the greatest decline, at 31.5 percent. In addition, Wayne County has the lowest median housing value, at \$83,000. During the 2011-2015 ACS period, Livingston County, had the highest housing value and experienced the lowest percentage of decline, with a median housing value of \$192,500 (11.0 percent decrease). All counties within the assessment area experienced growth in median gross rent values between 2010 and 2015. Lapeer and Macomb Counties experienced the highest growth rates, at 14.9 percent and 14.5 percent, respectively.

A common method to compare relative affordability of housing across geographic areas is the affordability ratio, which is defined in Appendix E. Based on a review of housing affordability ratios, housing in the assessment area as a whole (0.41) is comparable to the affordability of housing across the state of Michigan. An area with a higher ratio generally has more affordable housing than an area with a lower ratio. During the 2011-2015 ACS time period, the affordability ratios within the assessment area ranged from 0.38 and 0.50, while the state of Michigan's affordability ratio was 0.41.

The table below presents more detail on trends in housing costs across the noted areas.

Trends in Housing Costs							
Location	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)	2011-2015 Affordability Ratio
Lapeer County, MI	165,200	132,300	-19.9	680	781	14.9	0.40
Livingston County, MI	216,400	192,500	-11.0	860	917	6.6	0.39
Macomb County, MI	157,000	126,000	-19.7	752	861	14.5	0.43
Oakland County, MI	204,300	178,900	-12.4	871	942	8.2	0.38
Wayne County, MI	121,100	83,000	-31.5	759	794	4.6	0.50
State of Michigan	144,200	122,400	-15.1	723	783	8.3	0.41

Source: U.S. Census Bureau: American Community Survey

Employment Characteristics

Based on the most recent data available from the Bureau of Labor Statistics (i.e., 2016-2019), unemployment rates experienced consistent declines across all geographical areas. In 2016, Lapeer County had the highest rates of unemployment among the related geographical areas at 6.5 percent. By 2019, with the economy well into recovery, unemployment rates had dropped to 5.4 percent, but was still higher than all other areas. Livingston County continued to maintain the lowest unemployment rate, at 3.3 percent in 2019, when compared to the other areas. Trends in unemployment rates indicate continued economic improvement for the assessment area since the previous economic recession. The table below presents the unemployment rate in the counties of the assessment area, and the state of Michigan between 2016 and 2019.

Unemployment Rates (%) 2016 to 2019				
Region	2016	2017	2018	2019
Lapeer County, MI	6.5	5.5	5.2	5.4
Livingston County, MI	4.2	3.4	3.3	3.3
Macomb County, MI	5.3	4.4	4.0	4.2
Oakland County, MI	4.2	3.5	3.3	3.4
Wayne County, MI	6.4	5.6	5.2	5.1
State of Michigan	4.9	4.9	4.1	4.1

Source: U.S. Bureau of Labor Statistics

Major Employers

The assessment area is home to several large businesses that employ a substantial portion of the local population. General Motors Warren Technology continues to be the largest employer in the area with 17,096 employees. The health care and automobile-manufacturers industries have a large impact on the employment conditions of the assessment area. Community representatives stated that during the review period, employment is relatively stable, especially among the top large employers.

The table below presents the largest employers in the assessment area.

Largest Employers in the Assessment Area		
Company	Number of Employees	Industry
General Motors Warren Technology	17,096	Automobile-Manufacturers
Henry Ford Hospital	11,149	Hospitals
Beaumont Hospital Royal Oak	8,018	Hospitals
Henry Ford Health System	6,500	Health Care Management
Valassis Communications Inc	5,001	Advertising-Agencies & Counselors
General Motors Co	5,000	Automobile-Manufacturers
Beaumont Hospital	5,000	Hospital
United Shore Financial Service Inc	4,800	Real Estate Loans

Source: Business information provided by Infogroup®, Omaha, NE

Community Representatives

Two community representatives were contacted to provide information about local housing, employment, and other economic conditions within the assessment area. Representatives identified affordable housing and small business lending as the assessment area's greatest needs. Representatives indicated that there is a strong demand for affordable housing, but there has been a lack of new affordable residential real estate construction in the MSA, including both single-family homes and apartments. Further, the representatives stated while programs are offered through the Small Business Administration which help spur affordable housing and economic development activity, the time commitment required to complete the application process has deterred some businesses from participating in these programs. Local financial institutions have an opportunity to partner with local small businesses to raise awareness of such programs and to provide support during the application process. In addition, businesses experienced difficulty in attracting new qualified workers. Representatives did note that financial institutions within the community have been active and responsive to credit needs in general and as a result of the COVID-19 pandemic.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS DETROIT-WARREN-DEARBORN, MI MSA #19820

LENDING TEST

The geographic distribution of loans reflects good penetration throughout the assessment area. The distribution of borrowers reflects, given the product lines offered, adequate penetration among customers of different income levels and businesses of different sizes. The bank is a leader in making community development loans and makes use of innovative and flexible lending practices in the communities it serves.

Geographic Distribution of Loans

The bank's lending activities reflect good distribution throughout the assessment area.

Independent Bank originated HMDA- and CRA-reportable loans in 44.8 percent of the 1,251 census tracts in the Detroit MSA in 2019. Further, the bank penetrated 25 of the 170 low-income census tracts and 95 of the 315 moderate-income census tracts. This is slightly above the bank's geographic penetration across census tracts in 2018, where the bank originated loans in 38.9 percent of the 1,190 census tracts, including 30 of the 170 low-income census tracts and 84 of the 311 moderate-income census tracts. While there were no conspicuous gaps in HMDA-reportable lending across the bank's assessment area, opportunities to lend were limited. The percentage of rental units (42.5 percent) and vacant units (27.1 percent) in the low-income tracts and 35.5 percent rental units and 17.6 percent vacant units in the moderate-income tracts resulted in a limited stock of owner-occupied housing units located within the assessment area. This also limits the opportunity the bank has to lend.

A breakdown of the bank's HMDA- and CRA-reportable lending is discussed in more detail below by individual products. Specific to HMDA-reportable lending, due to limited lending activity of multi-family, other purpose lines of credit, other purpose closed/exempt, and loan purpose not applicable loans, only home purchase, refinance and home improvement loans will be discussed.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank originated 3.0 percent of its home purchase loans, by number volume, in low-income census tracts. The bank's performance was comparable to the aggregate of lenders, which made 3.1 percent, by number, of HMDA-reportable home purchase loans in these census tracts, and below the percentage of owner-occupied units in low-income census tracts, at 6.1 percent. Finding opportunities to lend in low-income census tracts continues to be difficult with 42.5 percent of the housing serving as rental property and 27.1 percent of the properties listed as

vacant. The bank made 13.5 percent, by number, of its home purchase loans in moderate-income census tracts in 2019. The bank's performance was slightly below the aggregate of lenders, at 16.9 percent, and below the percentage of owner-occupied units within such tracts, at 19.4 percent. As seen in the 2018 lending table located in Appendix C, home purchase lending was consistent with 2019 lending, where the bank's originations in the low-income tracts, at 6.6 percent, was above the 3.0 percent by aggregate lenders and comparable to the 6.4 percent of owner-occupied units available in those tracts. Consistent with 2019, home purchase loans originated in moderate-income tracts in 2018, at 13.0 percent by number, was also below both the aggregate lenders who made 17.1 percent of loans and the percentage of owner-occupied units in moderate-income tracts at 20.3 percent.

In 2019, the bank made 37.0 percent of its home purchase loans, by number, in middle-income census tracts, which was consistent with both the percentage by aggregate lenders and the percentage of owner-occupied units within such tracts, at 38.8 percent and 36.3 percent, respectively. As it relates to upper-income census tracts, the bank made 46.1 percent, by number, of its home purchase loans in such tracts, which exceeded both the percentage by aggregate lenders (41.1 percent) and the percentage of owner-occupied units within these tracts (38.1 percent).

The bank's lending activity in 2018, as it relates to home purchase loans originated in middle- and upper-income census tracts, was below the outcomes of 2019. More specifically, the bank made 29.0 percent of its 2018 home purchase loans in middle-income census tracts, below both the aggregate lenders, at 37.7 percent, and the percentage of owner-occupied housing in middle-income census tracts at 35.0 percent. Within upper-income census tracts, performance was more consistent with 2019. The bank made 51.0 percent of its 2018 home purchase loans in upper-income census tracts, which exceeded the percentage of aggregate lenders at 42.2 percent and significantly exceeded the percentage of owner-occupied housing in upper-income census tracts at 38.1 percent.

Refinance Loans

In 2019, the bank made 0.7 percent of its refinance loans, by number, in low-income census tracts. The bank's performance was comparable to the percentage by aggregate lenders at 1.3 percent, but was below the percentage of owner-occupied units in low-income census tracts at 6.1 percent. The bank made 9.9 percent of its refinance loans in moderate-income census tracts, which was similar to the percentage of loans made by aggregate lenders at 10.8 percent, but below the percentage of owner-occupied units in these tracts at 19.4 percent.

Refinance lending performance in low- and moderate-income census tracts in 2018 is consistent with that of 2019. The bank made 4.9 percent of its refinance loans, by number, in low-income census tracts, which is comparable to both the percentage by aggregate lenders at 1.9 percent and the percentage of owner-occupied units in low-income census tracts at 6.4 percent. The bank originated 10.7 percent of its refinance loans in moderate-income census tracts, which is comparable to the percentage by aggregate lenders at 13.4 percent, but was below the percentage

of owner-occupied units in those tracts at 20.3 percent.

The bank made 34.5 percent of its refinance loans, by number, in middle-income census tracts in 2019, which is consistent with the 37.5 percent by aggregate of lenders and the percentage of owner-occupied units at 36.3 percent. The bank originated 54.9 percent of its refinance loans in upper-income census tracts, which was slightly above the percentage by aggregate lenders (50.4 percent) and significantly above the percentage of owner-occupied units (38.1 percent) in upper-income census tracts.

Refinance lending in middle- and upper-income census tracts in 2018 reflected similar outcomes to 2019. The bank made 27.2 percent of its refinance loans in middle-income census tracts, which was significantly below the aggregate lenders, which made 38.4 percent and below the percentage of owner-occupied housing in middle-income census tracts, at 35.0 percent. The bank originated 56.3 percent of its refinance loans in upper-income tracts, which exceeded the percentage by aggregate lenders, at 46.3 percent, and significantly exceeded the percentage of owner-occupied housing in upper-income census tracts at 38.1 percent.

Home Improvement

In 2019, the bank made 7.3 percent of its home improvement loans, by number, in low-income census tracts, which exceeded the percentage by aggregate lenders at 2.3 percent and was comparable to the percentage of owner-occupied units in low-income census tracts at 6.1 percent. The bank made 5.5 percent of its home improvement loans in moderate-income census tracts, which was below the percentage of loans made by aggregate lenders at 11.1 percent and significantly below the percentage of owner-occupied units in these tracts at 19.4 percent.

Home improvement lending performance in low- and moderate-income census tracts in 2018 was above that of 2019. The bank originated 10.8 percent of home improvement loans in the low-income census tracts, which exceeded the 2.1 percent by aggregate lenders and the percentage of owner-occupied units in low-income census tracts at 6.4 percent. The bank originated 9.2 percent of its refinance loans in moderate-income census tracts. This is comparable to the percentage by aggregate lenders at 11.2 percent, but significantly below the percentage of owner-occupied units in those tracts at 20.3 percent.

The bank made 34.5 percent of its home improvement loans, by number, in middle-income census tracts in 2019. This was consistent with the performance of aggregate of lenders, which made 36.6 percent of such loans and the percentage of owner-occupied units at 36.3 percent. In upper-income census tracts, the bank's performance was comparable to the percentage by aggregate lenders (50.0 percent) and significantly above the percentage of owner-occupied units (38.1 percent) within upper-income census tracts by originating 52.7 percent of its home improvement loans in such tracts in 2019.

Home improvement lending in middle- and upper-income census tracts in 2018 reflected similar outcomes to 2019. The bank made 12.3 percent of its home improvement loans in middle-income census tracts, which was below both the aggregate lenders, which made 34.2 percent, and the percentage of owner-occupied housing in middle-income census tracts at 35.0 percent. The bank's performance significantly exceeded both the percentage of the aggregate lenders, at 52.5 percent, and the percentage of owner-occupied housing in upper-income census tracts at 38.1 percent, by originating 67.7 percent of its refinance loans in these tracts.

The table below presents the 2019 geographic distribution of HMDA-reportable loans in the assessment area. The 2018 geographic distribution table of HMDA-reportable loans can be found in Appendix C.

Geographic Distribution of HMDA Reportable Loans							
Assessment Group: 2019 Detroit-Warren-Dearborn, MI MSA 19820							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2019			Dollar		
		Count Bank		Agg	Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	24	3.0	3.1	5,775	2.6	1.6
	Moderate	108	13.5	16.9	16,411	7.4	11.1
	Middle	295	37.0	38.8	72,301	32.4	34.5
	Upper	368	46.1	41.1	127,704	57.3	52.7
	Unknown	3	0.4	0.0	656	0.3	0.0
	Total		798	100.0	100.0	222,847	100.0
Refinance	Low	2	0.7	1.3	756	0.9	0.7
	Moderate	30	9.9	10.8	4,758	5.4	7.0
	Middle	105	34.5	37.5	24,768	28.2	32.1
	Upper	167	54.9	50.4	57,429	65.5	60.2
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		304	100.0	100.0	87,711	100.0
Home Improvement	Low	4	7.3	2.3	426	2.7	1.5
	Moderate	3	5.5	11.1	330	2.1	7.9
	Middle	19	34.5	36.6	2,999	19.0	32.2
	Upper	29	52.7	50.0	12,070	76.3	58.3
	Unknown	0	0.0	0.1	0	0.0	0.1
	Total		55	100.0	100.0	15,825	100.0
Multi-Family	Low	0	0.0	22.1	0	0.0	14.4
	Moderate	0	0.0	28.7	0	0.0	13.9
	Middle	0	0.0	30.2	0	0.0	27.2
	Upper	0	0.0	17.4	0	0.0	43.8
	Unknown	0	0.0	1.6	0	0.0	0.7
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	1.6	0	0.0	0.8
	Moderate	0	0.0	10.4	0	0.0	6.5
	Middle	0	0.0	36.2	0	0.0	30.2
	Upper	0	0.0	51.8	0	0.0	62.5
	Unknown	0	0.0	0.1	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	4.0	0	0.0	2.5
	Moderate	0	0.0	16.4	0	0.0	10.5
	Middle	0	0.0	38.0	0	0.0	28.7
	Upper	0	0.0	41.6	0	0.0	58.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	5.6	0	0.0	2.3
	Moderate	0	0.0	22.1	0	0.0	20.1
	Middle	0	0.0	39.2	0	0.0	38.4
	Upper	0	0.0	33.1	0	0.0	39.2
	Unknown	0	0.0	0.1	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	30	2.6	2.3	6,957	2.1	1.8
	Moderate	141	12.2	13.8	21,499	6.6	9.3
	Middle	419	36.2	38.0	100,068	30.7	33.0
	Upper	564	48.7	46.0	197,203	60.4	55.8
	Unknown	3	0.3	0.0	656	0.2	0.1
	Total		1,157	100.0	100.0	326,383	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

CRA-Reportable Lending

Small Business Loans

In 2019, the bank's performance was slightly above both the percentage by aggregate lenders and the percentage of total businesses within low-income census tracts. The bank made 10.6 percent of CRA-reportable small business loans, by number, in low-income census tracts, compared to the aggregate of lenders at 6.9 percent, and the percentage of total businesses in such tracts at 7.5 percent. The bank made 28.0 percent, by number, of its CRA-reportable small business loans in moderate-income census tracts, exceeding both the percentage by aggregate lenders (19.9 percent) and the percentage of total businesses located in moderate-income census tracts (20.5 percent).

The bank's CRA-reportable small business lending in 2018 reflected similar activity in low- and moderate-income census tracts when compared to 2019. The bank's percentage (9.5 percent) was similar to the that of aggregate lenders (7.1 percent) and the percentage of total businesses in low-income census tracts (7.7 percent). The bank originated 21.2 percent of its small business loans in moderate-income census tracts in 2018, consistent with both aggregate lenders and the percentage of total businesses, at 19.9 percent and 20.8 percent, respectively.

In 2019, the bank made 28.0 percent of its small business loans, by number, in middle-income census tracts. This was consistent to the percentage by aggregate lenders, at 30.1 percent, by number, and just below the percent of total businesses that are located in these tracts at 31.4 percent. The bank made 29.5 percent of its small business loans, by number, in upper-income census tracts, which was significantly below both the percentage by aggregate lenders at 42.0 percent and the percent of total businesses in these census tracts at 40.1 percent.

The bank's CRA-reportable small business lending in 2018 was comparable to 2019 in middle- and upper-income census tracts. The bank made 29.9 percent of its small business loans, by number, in middle-income census tracts, which is consistent to both the percentage by aggregate lenders at 29.1 percent and the percentage of total businesses in these census tracts at 30.4 percent. Small business lending in upper-income census tracts, at 33.6 percent by number, was below both the percentage by aggregate lenders at 42.8 percent and the percentage of small businesses located in upper-income census tracts at 40.4 percent.

The table below presents the geographic distribution of CRA-reportable small business loans in the assessment area in 2019. The lending table showing geographic distribution of small business loans in 2018 can be found in Appendix C.

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Detroit-Warren-Dearborn, MI MSA 19820								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count		Dollar				
		Bank	Agg	Bank	Agg	Bank	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	14	10.6	6.9	3,591	10.7	9.2	7.5
	Moderate	37	28.0	19.9	11,453	34.1	21.0	20.5
	Middle	37	28.0	30.1	8,263	24.6	27.3	31.4
	Upper	39	29.5	42.0	9,107	27.1	41.2	40.1
	Unknown	5	3.8	0.6	1,151	3.4	1.2	0.6
	Tr Unknown			0.5			0.2	
	Total	132	100.0	100.0	33,565	100.0	100.0	100.0
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Lending to Borrowers of Different Income Levels and Lending to Businesses of Different Sizes

The bank’s lending activities reflect adequate distribution, particularly in its assessment area, of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

A breakdown of the bank’s HMDA- and CRA-reportable lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank made 5.8 percent of its home purchase loans, by number, to low-income borrowers. The bank’s performance was below the percentage by aggregate lenders at 11.4 percent and significantly below the demographic figure, at 22.7 percent, of assessment area families of low-income. The bank made 15.9 percent of its home purchase loans, by number, to moderate-income borrowers, which was below the percentage by aggregate lenders at 23.3 percent, but comparable to the percentage of moderate-income families within the assessment area at 16.5 percent.

As seen in the 2018 table in Appendix C, the bank’s performance of lending to low- and moderate-income borrowers was consistent with its performance in 2019. The bank originated 4.6 percent, by number, of home purchase loans to low-income borrowers. This was below the percentage by aggregate lenders at 9.3 percent, while significantly below the percentage of low-income families in the assessment area at 23.2 percent. The bank’s originated 12.7 percent of its home purchase loans

to moderate-income borrowers, which was below the percentage by aggregate lenders at 21.2 percent and the percentage of moderate-income families in the assessment area at 16.5 percent.

In 2019, the bank made 21.6 percent of its home purchase loans, by number, to middle-income borrowers, which was consistent with both the percentage by aggregate lenders at 23.7 percent and the percentage of middle-income families in the assessment area at 18.8 percent. The bank made 55.6 percent of its home purchase loans to upper-income borrowers, significantly exceeding the percentage by aggregate lenders at 32.5 percent, by number, and the percentage of upper-income families in the assessment area at 42.0 percent. The bank made 1.1 percent of its home purchase loans, by number, to borrowers of unknown income, which was below the percentage by aggregate lenders at 9.1 percent.

The bank's home purchase lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 18.0 percent of home purchase loans, by number, to middle-income borrowers. This was slightly below the percentage by aggregate lenders at 22.7 percent, but consistent with the percentage of middle-income families in the assessment area, at 18.6 percent. Lending to upper-income borrowers, at 63.2 percent, was significantly above both the percentage by aggregate lenders at 34.9 percent and the percentage of upper-income families in the assessment area at 41.8 percent. The bank also originated 1.5 percent of its home purchase loans, by number, to borrowers of unknown income, which is below the 11.9 percent originated by aggregate lenders to borrowers of unknown income.

Refinance Loans

In 2019, the bank made 3.9 percent of its refinance loans, by number, to low-income borrowers, which was below the percentage by aggregate lenders, at 7.7 percent. The bank's refinance lending was significantly below the percentage of low-income families within the assessment area at 22.7 percent. The bank made 18.4 percent of its refinance loans, by number, to moderate-income borrowers. This was comparable to both the percentage by aggregate lenders and the percentage of moderate-income families in the assessment area, both at 16.5 percent.

The bank's lending performance to low-income borrowers in 2018 was consistent with the performance exhibited in 2019. The bank originated 8.7 percent of refinance loans to low-income borrowers in 2018, which is consistent with the percentage by aggregate lenders (9.9 percent), but significantly below the percentage of low-income families (23.2 percent) within the assessment area. The bank's 2018 refinance lending to moderate-income borrowers, at 7.8 percent, was below both to the percentage by aggregate lenders (18.5 percent) and the percentage of moderate-income families (16.5 percent) within the assessment area.

In 2019, the bank made 21.7 percent of its refinance loans, by number, to middle-income borrowers, which was consistent to both the percentage by aggregate lenders at 22.6 percent and the percentage of middle-income families at 18.8 percent. The bank made 54.9 percent of its refinance loans, by number, to upper-income borrowers, which significantly exceeded both the

percentage by aggregate lenders (39.9 percent) and the percentage of upper-income families within the assessment area (42.0 percent). The bank made 1.0 percent of its refinance loans, by number, to borrowers of unknown income, falling below the percentage by aggregate of lenders at 13.2 percent.

The bank's refinance lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 18.4 percent of its refinance loans to middle-income borrowers, which was slightly below the percentage by aggregate lenders at 23.2 percent, but consistent with the percentage of middle-income families in the assessment area at 18.6 percent. Lending to upper-income borrowers, at 64.1 percent, by number, also significantly exceeded the percentage by aggregate lenders at 38.8 percent and the percentage of upper-income families in the assessment area at 41.8 percent. The bank made 1.0 percent of its refinance loans to unknown-income borrowers in 2018, which is below the percentage by aggregate of lenders at 9.5 percent.

Home Improvement Loans

In 2019, the bank made 10.9 percent of its home improvement loans, by number, to low-income borrowers, which exceeded the percentage by aggregate lenders at 8.6 percent. However, the bank's home improvement lending was significantly below the percentage of low-income families within the assessment area at 22.7 percent. The bank made 7.3 percent of its refinance loans, by number, to moderate-income borrowers. This was below both the percentage by aggregate lenders at 16.7 percent and to the percentage of moderate-income families in the assessment area at 16.5 percent.

The bank's lending performance to low-income borrowers in 2018 was slightly below the performance exhibited in 2019. The bank originated 3.1 percent of home improvement loans to low-income borrowers in 2018, which was below the percentage by aggregate lenders (8.2 percent) and significantly below the percentage of low-income families (23.2 percent) within the assessment area. The bank's 2018 home improvement lending, at 10.8 percent to moderate-income borrowers, was below both the percentage by aggregate lenders (15.3 percent) and the percentage of moderate-income families (16.5 percent) within the assessment area.

In 2019, the bank made 9.1 percent of its home improvement loans, by number, to middle-income borrowers, which was significantly below the percentage by aggregate lenders at 24.6 percent and below the percentage of middle-income families at 18.8 percent. The bank made 70.9 percent of its home improvement loans, by number, to upper-income borrowers, which significantly exceeded the percentage by aggregate lenders 47.7 percent and the percentage of upper-income families within the assessment area at 42.0 percent. The bank made 1.8 percent of its home improvement loans, by number, to borrowers of unknown income, which was comparable to the percentage by aggregate of lenders at 2.5 percent.

The bank's home improvement lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 10.8 percent of its home improvement loans to middle-income

borrowers, which was significantly below the percentage by aggregate lenders at 21.8 percent and below the percentage of middle-income families in the assessment area at 18.6 percent. Lending to upper-income borrowers, at 72.3 percent, by number, significantly exceeded both the percentage by aggregate lenders at 51.4 percent and the percentage of upper-income families in the assessment area at 41.8 percent. The bank made 3.1 percent of its refinance loans to unknown-income borrowers in 2018, consistent with the percentage by aggregate of lenders at 3.2 percent.

The table below presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019. The table for borrower distribution of HMDA-reportable loans in 2018 can be found in Appendix C.

Borrower Distribution of HMDA Reportable Loans								
Assessment Group: 2019 Detroit-Warren-Dearborn, MI MSA 19820								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		2019		2019				
		Count Bank		Agg %	Dollar Bank			Agg %
		#	%	%	\$(000s)	\$ %	\$ %	%
Home Purchase	Low	46	5.8	11.4	6,151	2.8	6.2	22.7
	Moderate	127	15.9	23.3	21,496	9.6	17.0	16.5
	Middle	172	21.6	23.7	38,207	17.1	22.0	18.8
	Upper	444	55.6	32.5	154,713	69.4	45.8	42.0
	Unknown	9	1.1	9.1	2,280	1.0	9.1	0.0
	Total		798	100.0	100.0	222,847	100.0	100.0
Refinance	Low	12	3.9	7.7	1,206	1.4	4.0	22.7
	Moderate	56	18.4	16.5	9,467	10.8	11.4	16.5
	Middle	66	21.7	22.6	12,864	14.7	19.8	18.8
	Upper	167	54.9	39.9	63,679	72.6	50.9	42.0
	Unknown	3	1.0	13.2	495	0.6	13.9	0.0
	Total		304	100.0	100.0	87,711	100.0	100.0
Home Improvement	Low	6	10.9	8.6	493	3.1	5.8	22.7
	Moderate	4	7.3	16.7	141	0.9	13.2	16.5
	Middle	5	9.1	24.6	486	3.1	21.1	18.8
	Upper	39	70.9	47.7	14,515	91.7	56.9	42.0
	Unknown	1	1.8	2.5	190	1.2	3.0	0.0
	Total		55	100.0	100.0	15,825	100.0	100.0
Multi-Family	Low	0	0.0	0.4	0	0.0	0.5	22.7
	Moderate	0	0.0	0.4	0	0.0	0.0	16.5
	Middle	0	0.0	1.2	0	0.0	0.1	18.8
	Upper	0	0.0	3.5	0	0.0	0.2	42.0
	Unknown	0	0.0	94.6	0	0.0	99.3	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	10.2	0	0.0	6.6	22.7
	Moderate	0	0.0	18.1	0	0.0	13.2	16.5
	Middle	0	0.0	22.9	0	0.0	18.3	18.8
	Upper	0	0.0	47.5	0	0.0	60.2	42.0
	Unknown	0	0.0	1.4	0	0.0	1.7	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	11.8	0	0.0	6.5	22.7
	Moderate	0	0.0	19.3	0	0.0	12.8	16.5
	Middle	0	0.0	24.2	0	0.0	17.4	18.8
	Upper	0	0.0	40.2	0	0.0	57.1	42.0
	Unknown	0	0.0	4.5	0	0.0	6.2	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.5	0	0.0	0.2	22.7
	Moderate	0	0.0	1.2	0	0.0	0.8	16.5
	Middle	0	0.0	2.0	0	0.0	2.7	18.8
	Upper	0	0.0	4.4	0	0.0	9.0	42.0
	Unknown	0	0.0	91.9	0	0.0	87.3	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	64	5.5	9.4	7,850	2.4	4.9	22.7
	Moderate	187	16.2	19.4	31,104	9.5	13.3	16.5
	Middle	243	21.0	23.0	51,557	15.8	19.6	18.8
	Upper	650	56.2	36.9	232,907	71.4	46.1	42.0
	Unknown	13	1.1	11.3	2,965	0.9	16.1	0.0
	Total		1,157	100.0	100.0	326,383	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

CRA-Reportable Lending

Small Business Loans

In 2019, the bank made 37.1 percent of its small business loans, by number, to businesses reporting annual revenues of \$1.0 million or less, which was significantly below the percentage by aggregate lenders at 48.4 percent. Of these loans, 53.1 percent had a loan amount of \$100,000 or less, which is reflective of loans most responsive to the smallest businesses. Businesses reporting annual revenues of \$1.0 million or less represented 90.2 percent of assessment area businesses. Area competition may contribute to the bank's small business lending performance being significantly below the percentage of small businesses within the assessment area, which is further evidenced by the top CRA reporters comprising larger, national banks within the assessment area for both 2018 and 2019. In addition, there is a significant number of businesses reporting annual revenues of \$1.0 million or less within the assessment area, making comparison to the percentage by aggregate lenders more appropriate and weighted heavier in determining the borrower distribution conclusion for CRA-reportable small business loans.

As seen in the 2018 table in Appendix C, the bank's record of lending to businesses of different revenue sizes was slightly above 2019 lending. Of the bank's total business loans, 43.8 percent were originated to businesses with revenues of \$1.0 million or less. This was consistent with the percentage by aggregate lenders (46.0 percent). However, of the bank's total small business loans made to businesses with revenues of \$1.0 million or less, 38.3 percent were loan amounts of \$100,000 or less. The bank's performance was below the percent of businesses reporting annual revenues of \$1.0 million or less within the assessment area at 89.6 percent.

The table below presents the borrower distribution of small business loans in the assessment area in 2019. The borrower distribution table for small business loans in 2018 can be found in Appendix C.

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2019 Detroit-Warren-Dearborn, MI MSA 19820								
Product Type		Bank & Aggregate Lending Comparison						
		Count		2019				Total Businesses
				Dollar		Total		
Bank	Agg	Bank	Agg	Bank	Agg	Bank	Agg	
#	%	%	\$ 000s	\$ %	\$ %	%	%	
Revenue	\$1 Million or Less	49	37.1	48.4	9,707	28.9	27.5	90.2
	Over \$1 Million or Unknown	83	62.9	51.6	23,858	71.1	72.5	9.8
Total		132	100.0	100.0	33,565	100.0	100.0	100.0
Loan Size	\$100,000 or Less	52	39.4	93.4	2,784	8.3	32.8	
	\$100,001 - \$250,000	33	25.0	3.2	5,632	16.8	15.3	
	\$250,001 - \$1 Million	47	35.6	3.4	25,149	74.9	51.9	
	Total	132	100.0	100.0	33,565	100.0	100.0	
Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	26	53.1		1,234	12.7		
	\$100,001 - \$250,000	11	22.4		2,121	21.9		
	\$250,001 - \$1 Million	12	24.5		6,352	65.4		
	Total	49	100.0		9,707	100.0		

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Community Development Lending

The bank is a leader in making community development loans and makes use of innovative and/or flexible lending practices in the communities it serves. During the evaluation period, the bank extended 53 loans for \$116.0 million; this represents a 12.6 percent increase in the dollar amount of loans compared to the prior evaluation period when the bank extended 38 loans in the amount of \$103.0 million. Of the 53 qualified community development loans, 37 were new originations. Community development loans focused on affordable housing, community services, economic development, and revitalization efforts as displayed in the table below. The majority of community development loans originated with the purpose of revitalize/stabilize were PPP loans. These loans were designed to assist the efforts of small businesses and to keep respective workforces employed during the COVID-19 pandemic. Through these PPP loans, the bank was responsive to the specific credit needs of the assessment area during a difficult time. Other community development loans focused on providing affordable housing to LMI individuals and specific services to LMI individuals, such as mental health services and medical care assistance.

Community Development Loans										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/ Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Detroit MSA	1	50	9	7,046	2	3,916	41	104,966	53	115,978

INVESTMENT TEST

The bank made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, but rarely in a leadership position. During the review period, the bank made approximately \$3.0 million in new investments, and did not maintain any prior period investments in the assessment area. Total investment activity decreased 52.5 percent since the previous evaluation. During that time, Independent Bank made \$6.2 million in total investments.

The bank's donations totaled \$127,450 within the delineated assessment area. This is an increase from the previous evaluation during which time donations totaled \$76,485 in the assessment area. Donations were primarily for community service organizations offering pandemic recovery services, providing food to low-income residents, and assistance to low-income and at-risk children.

Although the bank's total investment activity declined from the prior period, the bank exhibits good responsiveness to credit and community development needs. The community representatives stated that the assessment area needs affordable housing. Of the \$3.0 million in total qualified community development investments, \$1.9 million went towards affordable housing investments within the assessment area.

Community Development Investments										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Detroit MSA	2	1,923	2	330	0	0	2	700	6	2,953

Community Development Contributions										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Full Scope Review										
Detroit MSA	10	25,700	37	76,250	6	25,500	0	0	53	127,450

SERVICE TEST

Delivery systems are accessible to the bank's geographies and individuals of different income levels in the assessment area. The bank's record of opening and closing branches has improved the accessibility of its delivery systems, particularly to LMI geographies and individuals. Services do not vary in a way that inconveniences the bank's assessment area, particularly to LMI geographies

and individuals. Independent Bank is a leader in providing community development services to the assessment area.

Retail Services

The bank's retail delivery services are accessible to geographies and individuals of different income levels in its assessment area. The bank operates five of its 10 branches in moderate-income census tracts. To the extent changes have been made, its record of opening and closing branches has improved the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals. Since the previous examination one full-service branch location was opened (moderate-income census tract) and one full-service branch location was closed (upper-income census tract).

Services do not vary in a way that inconveniences its assessment area, particularly low- or moderate-income geographies or low- or moderate-income individuals. The bank offers a standard range of products and services at all locations. Bank employees are available to meet with individuals as necessary, and the bank's ATM, telephone, mobile, and internet banking options expand the availability of services beyond the branch's regular operating hours, which typically range from 9:00 a.m. to 5:00p.m. Monday through Thursday, 9:00a.m. to 6:00 p.m. Friday, and 9:00 a.m. to 12:00 p.m. on Saturday.

Community Development Services

The bank is a leader in providing community development services to its assessment area.

The bank contributed 1,220 hours of service to the Detroit MSA. This is in alignment with the bank's performance during the previous evaluation, during which time the bank contributed 1,232 hours of service to its community. Although the bank faced challenges as a result of the COVID-19 pandemic that started in 2020 and limited opportunities for the bank to provide many of the services that would have previously provided in an in-person environment, they remained responsive to the assessment area, providing community development services virtually.

The vast majority of hours, 978, were designated as community services. Bank employees served on nonprofit boards of directors, donating their time and technical knowledge to these local organizations. An additional 157 hours of community development services went to serving on the board of an affordable housing organization.

The table below displays community development services in the assessment area during the review period.

Community Development Services										
August 7, 2018, to March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Full Scope Review										
Detroit MSA	12	157	30	978	4	33	3	52	49	1,220

LANSING – EAST LANSING, MI MSA #29620 - Full Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN LANSING-EAST LANSING, MI MSA #29620

The Lansing-East Lansing, MI MSA is comprised of Eaton, Ingham, Shiawassee, and Clinton Counties. The bank delineates Eaton and Ingham Counties in their entirety, excluding Shiawassee and Clinton Counties. Shiawassee County was added in to the MSA in 2019 as the result of MSA re-definitions by the OMB; for calendar years 2017-2018, this MSA consisted of only Clinton, Eaton, and Ingham Counties. However, the bank’s delineation is unchanged from the previous evaluation.

The assessment area is comprised of 109 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, nine census tracts are determined to be low-income, 24 census tracts are designated moderate-income, 42 census tracts are considered middle-income, and 25 census tracts are upper-income. There are nine census tracts in the assessment area with unknown incomes. The unknown-income census tracts include portions of Michigan State University.

The bank operates eight branches, 11 full-service ATMs and one loan production office, within the assessment area. Since the previous evaluation, the bank closed two branches, both located in middle-income census tracts; however, full-service ATMs remain at both locations. The bank operates one branch in a moderate-income census tract, or 12.5 percent of its total branches, and the branch includes a full-service ATM. The bank does not operate any branches or ATMs in the assessment area’s low-income census tracts.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	8.3	5.2	8.5
Moderate	1	12.5	1	9.1	22.0	21.3	21.1
Middle	3	37.5	6	54.5	38.5	43.5	36.2
Upper	4	50.0	4	36.4	22.9	29.9	31.7
Unknown	0	0.0	0	0.0	8.3	0.2	2.6
Total	8	100.0	11	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank 9th among 20 FDIC-insured institutions operating in the assessment area. The bank holds a 4.8 percent market share, compared to the market leader First National Bank of America, which holds 17.5 percent of the assessment area's deposits.

Independent Bank ranks 11th out of 328 aggregate lenders in 2019 HMDA-reportable transactions. A total of 270 originations and purchase transactions were reported by the bank compared to 1,893 reported by market leader Michigan State University Federal Credit Union. The 2019 CRA Market Peer Report ranks the bank 16th out of 79 reporters. The bank originated or purchased 62 CRA-reportable loans in 2019; whereas, the first ranked institution, American Express National Bank, originated or purchased 950 loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the market with large national lenders, especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Lansing-East Lansing, MI MSA 29620								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	9	8.3	4,657	5.2	1,915	41.1	19,520	21.8
Moderate-income	24	22.0	19,014	21.3	4,329	22.8	15,587	17.4
Middle-income	42	38.5	38,850	43.5	2,845	7.3	17,908	20.0
Upper-income	25	22.9	26,689	29.9	1,482	5.6	36,348	40.7
Unknown-income	9	8.3	153	0.2	62	40.5	0	0.0
Total Assessment Area	109	100.0	89,363	100.0	10,633	11.9	89,363	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	13,332	2,713	2.9	20.3	8,280	62.1	2,339	17.5
Moderate-income	38,933	18,311	19.3	47.0	16,298	41.9	4,324	11.1
Middle-income	67,865	43,432	45.8	64.0	19,157	28.2	5,276	7.8
Upper-income	47,201	30,295	31.9	64.2	14,231	30.1	2,675	5.7
Unknown-income	1,483	156	0.2	10.5	1,177	79.4	150	10.1
Total Assessment Area	168,814	94,907	100.0	56.2	59,143	35.0	14,764	8.7
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	1,315	8.5	1,103	7.9	205	14.9	7	4.9
Moderate-income	3,272	21.1	2,892	20.7	341	24.7	39	27.5
Middle-income	5,609	36.2	5,161	36.9	388	28.1	60	42.3
Upper-income	4,915	31.7	4,480	32.0	404	29.3	31	21.8
Unknown-income	399	2.6	353	2.5	41	3.0	5	3.5
Total Assessment Area	15,510	100.0	13,989	100.0	1,379	100.0	142	100.0
	Percentage of Total Businesses:			90.2		8.9		0.9
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
#		%	#	%	#	%	#	%
Low-income	5	1.1	5	1.2	0	0.0	0	0.0
Moderate-income	20	4.6	20	4.6	0	0.0	0	0.0
Middle-income	305	69.6	304	70.0	1	25.0	0	0.0
Upper-income	102	23.3	101	23.3	1	25.0	0	0.0
Unknown-income	6	1.4	4	0.9	2	50.0	0	0.0
Total Assessment Area	438	100.0	434	100.0	4	100.0	0	0.0
Percentage of Total Farms:			99.1		0.9		0.0	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Population Characteristics

The population was stable across the assessment area and the state of Michigan between 2010 and 2015, whereas the MSA experienced significant growth during the same time period. Ingham County accounts for 72.4 percent of the assessment area’s population. Within the county is the city of East Lansing, home of Michigan State University, which itself has an approximate population of 50,000 undergraduate and graduate students. A community representative noted that the University has been a major driver of the increasing population in East Lansing.

The table below presents population change in the MSA, the counties which comprise the bank’s assessment area, and the states to which the counties belong between 2010 and 2015.

Population Change 2010 and 2011-2015			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Eaton County, MI	107,759	108,341	0.5
Ingham County, MI	280,895	283,491	0.9
Lansing-East Lansing, MI MSA	464,036	537,850	15.9
State of Michigan	9,883,640	9,900,571	0.2
<i>Source: 2010— U.S. Census Bureau: Decennial Census 2011-2015— U.S. Census Bureau: Decennial Census: American Community Survey</i>			

Income Characteristics

Overall, median family income grew across the assessment area, the counties comprising the assessment area, and the state of Michigan between 2010 and 2015, while the MSA experienced a slight decline. The percentage of change in the individual counties trended at rates below the state of Michigan, but above the MSA in its entirety. During the 2011-2015 ACS time period, Eaton County, had the highest median family income compared to all other areas assessed; this is consistent with 2006-2010. According to a community representative, the median income values can be deceptively low, due to the large concentration of university students. However, it is believed the median incomes are trending upwards.

The table below presents median family income change in the MSA, the counties in the assessment area, and the state of Michigan between 2010 and 2015.

Median Family Income Change 2006-2010 and 2011-2015			
Area	2006-2010 Median Family Income (\$)	2011-2015 Median Family Income (\$)	Percentage Change (%)
Eaton County, MI	66,788	67,088	0.4
Ingham County, MI	61,680	62,674	1.6
Lansing-East Lansing, MI MSA	64,523	63,978	-0.8
State of Michigan	60,341	62,247	3.2
<i>Source: 2006-2010 – U.S. Census Bureau: American Community Survey 2011-2015 – U.S. Census Bureau: American Community Survey</i>			

According to data from the Administrative Office of the U.S. Courts, personal bankruptcy filing rates have remained stable from 2016 through 2019. Both Eaton and Ingham Counties maintained a bankruptcy filing ratio (per 1,000 population) of 2.3 and 2.2, respectively, in 2019. Similarly, the state of Michigan maintained a bankruptcy filing ratio (per 1,000 population) of 3.0.

Housing Characteristics

According to 2019 FFIEC Census data, there are a total of 168,814 housing units in the assessment area. The majority of housing units are owner-occupied at 56.2 percent, while 35.0 percent are rental units. Although only 8.8 percent of housing units are vacant in the assessment area, LMI census tracts experience a higher percentage of vacancy when compared to middle- and upper-income census tracts. Within low-income census tracts, 20.4 percent of housing units are owner-occupied, with the vast majority of housing units being rental units at 62.1 percent. The remaining 17.5 percent of housing units in low-income census tracts are vacant. Within moderate-income tracts, owner-occupied units comprise 47.0 percent of housing units, rental units make up 41.9 percent, and vacant units comprise 11.1 percent. The lower percentage of owner-occupied housing in low-income census tracts indicates significantly fewer lending opportunities in those areas.

Based on 2006-2010 and 2011-2015 ACS data, median housing values in Eaton County continue to be higher than Ingham County, the MSA, and the state of Michigan. However, median gross rent in Ingham County, exceeded Eaton County, the MSA, and the state of Michigan. Community representatives indicated that a primary driver to the rise in gross median rent in Ingham County is due to student demand at Michigan State University. Despite the COVID-19 pandemic and classes transitioning to virtual learning, a majority of students still remain within the local community. Further, Michigan State University is making changes to its on-campus dorms resulting in more students seeking off-campus living arrangements. As a result, local rental housing demand is expected to continue to rise, which will likely result in the median gross rental price continuing to rise.

A common method to compare relative affordability of housing across geographic areas is the affordability ratio, which is defined in Appendix E. Based on a review of housing affordability ratios, housing in Eaton County is more affordable when compared to Ingham County. An area with a higher ratio generally has more affordable housing than an area with a lower ratio. During

the 2011-2015 ACS time period, the affordability ratios within Eaton County and Ingham County, were 0.41 and 0.39, respectively.

Please review the table below for more detail on trends in housing costs across the noted areas.

Trends in Housing Costs							
Location	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)	2011-2015 Affordability Ratio
Eaton County, MI	152,700	134,500	-11.9	714	771	8.0	0.41
Ingham County, MI	137,900	117,400	-14.9	726	785	8.1	0.39
Lansing-East Lansing, MI MSA	148,278	125,056	-15.7	723	772	6.8	0.40
State of Michigan	144,200	122,400	-15.1	723	783	8.3	0.41

Source: U.S. Census Bureau: American Community Survey

Employment Characteristics

Based on the most recent data available from the Bureau of Labor Statistics (i.e., 2016-2019), unemployment rates experienced consistent declines across all geographical areas. In 2016, Ingham County had a slightly higher percentage of unemployment, at 4.1 percent, when compared to Eaton County and the MSA, both at 4.0 percent. In 2019, with the economy well into recovery, unemployment rate in Ingham County had dropped to 3.5 percent, but was still slightly above Eaton County (3.4 percent) and consistent with the MSA (3.5 percent). The state of Michigan continued to maintain the highest unemployment rate, at 4.1 percent in 2019, when compared to all other areas. The trends in unemployment rates indicate continued economic improvement for the assessment area since the previous economic recession. The table below presents the unemployment rates in the MSA, the counties in the assessment area, and the state of Michigan between 2016 and 2019.

Unemployment Rates (%) 2016 to 2019				
Region	2016	2017	2018	2019
Eaton County, MI	4.0	4.1	3.5	3.4
Ingham County, MI	4.1	4.3	3.6	3.5
Lansing-East Lansing, MI MSA	4.0	4.2	3.6	3.5
State of Michigan	4.9	4.9	4.1	4.1

Source: U.S. Bureau of Labor Statistics

Major Employers

The assessment area is home to several large businesses that employ a substantial portion of the local population. Sparrow Hospital continues to be the largest employer in the area with 11,089

employees. The health care and education/government industries have a large impact on the employment conditions of the assessment area. Community representatives stated that, the local workforce is well diversified; however, with Lansing serving as the state capitol, government employment is higher when compared to other Michigan communities. In addition, Michigan State University also has a strong impact on local employment.

The table below presents the largest employers in the assessment area.

Largest Employers in the Assessment Area		
Company	Number of Employees	Industry
Sparrow Hospital	11,089	Hospitals
Lansing Community College	5,600	Junior-Community College-Tech Institutes
General Motors Lansing Delta	2,865	Automobile-Manufacturers
Highways Bureau	2,700	State Government-Transportation Program
MDOT Corporate Office	2,500	Engineers-Highways & Bridges
Sparrow Health System	2,000	Health Care System
General Motors Grand River	1,855	Automobile-Manufacturers
McLaren Greater Lansing	1,826	Hospitals
<i>Source: Business information provided by Infogroup®, Omaha, NE</i>		

Community Representatives

Two community representatives were contacted to provide information about local housing, employment, and other economic conditions within the assessment area. Representatives identified affordable housing and small business lending as the assessment area’s greatest needs. Representatives indicated that there is a high demand for new affordable residential real estate construction in the MSA. Community grants offered for down payment assistance are encouraging and assisting in LMI housing development. Additional support is being sought for LMI (publicly backed) multi-family units. With the presence of Michigan State University, there is a strong demand for both rental properties and multi-family units. Further, the representatives discussed that during the review period, businesses within the assessment area were finding it difficult to attract new qualified workers and that opportunities for work are available in the area, if individuals desire to work. Representatives did note that financial institutions within the community have been active and responsive to credit needs as a result of the COVID-19 pandemic, partaking in mortgage forbearance and loan accommodation programs (PPP lending).

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS LANSING-EAST LANSING, MI MSA #29620

LENDING TEST

The geographic distribution of loans reflects adequate penetration throughout the assessment area. The distribution of borrowers reflects, given the product lines offered, good penetration among customers of different income levels and businesses of different sizes. The bank makes a relatively

high level of community development loans and makes use of innovative and/or flexible lending practices in the communities it serves.

Geographic Distribution of Loans

The bank's lending activities reflect adequate distribution throughout the assessment area. Independent Bank originated HMDA- and CRA-reportable loans in 71.6 percent of the 109 census tracts in the Lansing MSA assessment area in 2019. These loans penetrated six of the nine low-income census tracts and 13 of the 24 moderate-income census tracts. This is below the bank's geographic penetration across census tracts in 2018, where the bank originated loans in 78.9 percent of the 109 census tracts, including six of the 11 low-income census tracts and 18 of the 22 moderate-income census tracts. While there were no conspicuous gaps in HMDA-reportable lending across the bank's assessment area, opportunities to lend were limited. The percentage of rental units (62.1 percent) and vacant units (17.5 percent) in the low-income tracts and 41.9 percent rental units and 11.1 percent vacant units in the moderate-income tracts resulted in a limited stock of owner-occupied housing units in low- and moderate-income census tracts, which limits lending opportunities for local financial institutions.

A breakdown of the bank's HMDA- and CRA-reportable lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank originated 2.0 percent of its home purchase loans, by number, in low-income census tracts. This was below both the aggregate lenders, which made 3.6 percent, by number, of HMDA-reportable home purchase loans in these census tracts, and the percentage of owner-occupied units in low-income census tracts, at 2.9 percent. The bank made 8.8 percent, by number, of its home purchase loans in moderate-income census tracts in 2019. This was significantly below the aggregate of lenders, at 21.4 percent and the percentage of owner-occupied units within such tracts, at 19.3 percent.

As seen in the 2018 lending table located in Appendix C, home purchase lending was consistent with 2019 lending, where the bank's originations in the low-income census tracts, at 1.5 percent, were comparable to the 4.4 percent by aggregate lenders and the 4.2 percent of owner-occupied units available in those tracts. Home purchase loans originated in moderate-income tracts in 2018, at 15.2 percent by number, was below the aggregate lenders who made 19.0 percent of loans, but more comparable to the percentage of owner-occupied units in moderate-income census tracts, at 18.0 percent.

In 2019, the bank made 64.2 percent of its home purchase loans, by number, in middle-income census tracts, which significantly exceeded both the percentage by aggregate lenders and the

percentage of owner-occupied units within such tracts, at 45.1 percent and 45.8 percent, respectively. As it relates to upper-income census tracts, the bank made 25.0 percent, by number, of its home purchase loans in such tracts, which was below both the percentage by aggregate lenders (29.6 percent) and the percentage of owner-occupied units within these tracts (31.9 percent).

The bank's lending activity in 2018, as it relates to home purchase loans originated in middle- and upper-income census tracts, was consistent with the outcomes to that of 2019. More specifically, the bank made 59.8 percent of its 2018 home purchase loans in middle-income census tracts, significantly exceeding both the aggregate lenders at 45.5 percent and the percentage of owner-occupied housing in middle-income census tracts at 45.8 percent. Within upper-income census tracts, the bank made 23.0 percent of its 2018 home purchase loans, which was below both the percentage by aggregate lenders at 30.8 percent and the percentage of owner-occupied housing in upper-income census tracts at 31.9 percent.

Refinance Loans

In 2019, the bank made 1.3 percent of its refinance loans, by number, in low-income census tracts. This resulted in comparable performance with the percentage by aggregate lenders at 1.5 percent and below the percentage of owner-occupied units in low-income census tracts at 2.9 percent. The bank made 6.4 percent of its refinance loans in moderate-income census tracts, which was below the percentage of loans made by aggregate lenders at 11.7 percent, and significantly below the percentage of owner-occupied units in these tracts at 19.3 percent.

Refinance lending performance in low- and moderate-income census tracts in 2018 is consistent with that of 2019. The bank did not originate any refinance loans in the in low-income census tracts; this performance was below both the percentage by aggregate lenders at 3.1 percent and the percentage of owner-occupied units in low-income census tracts at 4.2 percent. The bank originated 2.3 percent of its refinance loans in moderate-income census tracts. This is significantly below the percentage by aggregate lenders at 13.6 percent and the percentage of owner-occupied units in those tracts at 18.0 percent.

The bank made 61.5 percent of its refinance loans, by number, in middle-income census tracts in 2019. This significantly exceeded the percentage by the aggregate lenders, which made 46.5 percent of such loans and the percentage of owner-occupied units at 45.8 percent. The bank's performance was below the percentage by aggregate lenders (40.2 percent) but comparable to the percentage of owner-occupied units (31.9 percent) within upper-income census tracts by originating 30.8 percent of its refinance loans in such tracts in 2019.

Refinance lending in middle- and upper-income census tracts in 2018 reflected similar outcomes to 2019. The bank made 79.5 percent of its refinance loans in middle-income census tracts, which was significantly above the aggregate lenders who made 45.4 percent and also the percentage of owner-occupied housing in middle-income census tracts at 45.8 percent. The bank originated 18.2 percent

of its refinance loans in upper-income tracts, which was significantly below the percentage by aggregate lenders, at 37.6 percent and the percentage of owner-occupied housing in upper-income census tracts at 31.9 percent.

The table below presents the 2019 geographic distribution of HMDA-reportable loans in the assessment area. The 2018 geographic distribution table of HMDA-reportable loans can be found in Appendix C.

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2019 Lansing-East Lansing, MI MSA 29620							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2019			Dollar		
		Count Bank		Agg	Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	3	2.0	3.6	189	0.8	1.7
	Moderate	13	8.8	21.4	1,354	5.9	13.2
	Middle	95	64.2	45.1	14,283	62.4	45.8
	Upper	37	25.0	29.6	7,054	30.8	40.6
	Unknown	0	0.0	0.3	0	0.0	0.3
	Total		148	100.0	100.0	22,880	100.0
Refinance	Low	1	1.3	1.5	51	0.4	0.6
	Moderate	5	6.4	11.7	415	3.6	6.4
	Middle	48	61.5	46.5	7,367	63.6	42.1
	Upper	24	30.8	40.2	3,753	32.4	50.6
	Unknown	0	0.0	0.2	0	0.0	0.2
	Total		78	100.0	100.0	11,586	100.0
Home Improvement	Low	0	0.0	1.7	0	0.0	1.0
	Moderate	3	14.3	10.9	146	9.0	8.1
	Middle	10	47.6	47.2	834	51.4	44.5
	Upper	8	38.1	40.2	641	39.5	46.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		21	100.0	100.0	1,621	100.0
Multi-Family	Low	0	0.0	11.7	0	0.0	1.7
	Moderate	0	0.0	20.0	0	0.0	21.8
	Middle	0	0.0	48.3	0	0.0	54.3
	Upper	0	0.0	15.0	0	0.0	18.2
	Unknown	0	0.0	5.0	0	0.0	3.9
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	0.7	0	0.0	0.2
	Moderate	0	0.0	11.5	0	0.0	7.2
	Middle	0	0.0	37.9	0	0.0	32.2
	Upper	0	0.0	49.6	0	0.0	59.7
	Unknown	0	0.0	0.2	0	0.0	0.7
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	2.5	0	0.0	1.5
	Moderate	0	0.0	18.6	0	0.0	13.8
	Middle	0	0.0	44.6	0	0.0	44.2
	Upper	0	0.0	34.2	0	0.0	40.5
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	3.5	0	0.0	2.0
	Moderate	0	0.0	25.2	0	0.0	15.2
	Middle	0	0.0	53.1	0	0.0	49.5
	Upper	0	0.0	18.2	0	0.0	33.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	4	1.6	2.7	240	0.7	1.3
	Moderate	21	8.5	17.1	1,915	5.3	11.6
	Middle	153	61.9	45.4	22,484	62.3	44.4
	Upper	69	27.9	34.6	11,448	31.7	42.0
	Unknown	0	0.0	0.2	0	0.0	0.7
	Total		247	100.0	100.0	36,087	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

CRA-Reportable Lending

Small Business Loans

In 2019, the bank's performance was comparable to both the percentage by aggregate lenders and the percentage of total businesses within low-income census tracts. The bank made 8.2 percent of CRA-reportable small business loans, by number, in low-income census tracts, compared to the aggregate lenders at 9.9 percent, and the percentage of total businesses in such tracts at 8.5 percent. The bank made 9.8 percent, by number, of its CRA-reportable small business loans in moderate-income census tracts. This was significantly below the percentage by aggregate lenders (19.5 percent) and the percentage of total businesses located in moderate-income census tracts (21.1 percent).

The bank's CRA-reportable small business lending in 2018 reflected similar activity in low-income census tracts when compared to 2019. The bank's rate (11.5 percent) was similar to that of the aggregate lenders (12.3 percent) and the percentage of total businesses in low-income census tracts (9.5 percent). The bank's performance in 2018 in the moderate-income tracts slightly exceeded 2019 performance, originating 19.5 percent of its small business loans in moderate-income census tracts. This was consistent with both aggregate lenders and the percentage of total businesses, at 17.2 percent and 20.1 percent, respectively.

In 2019, the bank made 36.1 percent of its small business loans, by number, in middle-income census tracts. This exceeded the percentage by aggregate lenders at 31.2 percent, by number; however, it was consistent with the percent of total businesses that are located in these tracts at 36.2 percent. The bank made 44.3 percent of its small business loans, by number, in upper-income census tracts which, was above the percentage by aggregate lenders at 37.2 percent and significantly above the percent of total businesses in these census tracts at 31.7 percent.

The bank's CRA-reportable small business lending in 2018 was comparable to 2019 in middle- and upper-income census tracts. The bank made 34.5 percent of its small business loans, by number, in middle-income census tracts, which is consistent to both the percentage by aggregate lenders at 32.8 percent and the percentage of total businesses in these census tracts at 36.4 percent. Small business lending in upper-income census tracts, at 34.5 percent by number, was consistent to the percentage by aggregate lenders at 34.8 percent and slightly above the percentage of small businesses located in upper-income census tracts at 31.4 percent.

The table below presents the geographic distribution of CRA-reportable small business loans in the assessment area in 2019. The lending table showing geographic distribution of small business loans in 2018 can be found in Appendix C.

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Lansing-East Lansing, MI MSA 29620								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count		Dollar				
		Bank	Agg	Bank	Agg	Agg		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	5	8.2	9.9	1,402	13.5	13.7	8.5
	Moderate	6	9.8	19.5	780	7.5	21.3	21.1
	Middle	22	36.1	31.2	3,082	29.7	26.0	36.2
	Upper	27	44.3	37.2	4,969	47.9	37.5	31.7
	Unknown	1	1.6	1.3	150	1.4	1.2	2.6
	Tr Unknown			1.0			0.3	
	Total	61	100.0	100.0	10,383	100.0	100.0	100.0

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Lending to Borrowers of Different Income Levels and Lending to Businesses of Different Sizes

The bank’s lending activities reflect good distribution, particularly in its assessment area of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

A breakdown of the bank’s HMDA- and CRA-reportable lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank made 13.5 percent of its home purchase loans, by number, to low-income borrowers. The bank’s performance was comparable to the percentage by aggregate lenders at 11.8 percent and below the demographic figure, at 21.8 percent, of assessment area families of low-income. The bank made 28.4 percent of its home purchase loans, by number, to moderate-income borrowers. This is consistent with the percentage by aggregate lenders at 26.3 percent and significantly exceeding the percentage of moderate-income families within the assessment area at 17.4 percent.

As seen in the 2018 table in Appendix C, the bank’s performance of lending to low- and moderate-income borrowers was consistent with its performance in 2019. The bank originated 14.7 percent, by number, of home purchase loans to low-income borrowers. This was consistent with the percentage by aggregate lenders at 12.6 percent, while below the percentage of low-income families in the assessment area at 22.8 percent. The bank’s originated 31.4 percent of its home

purchase loans to moderate-income borrowers, which was slightly above the percentage by aggregate lenders at 27.8 percent and significantly above the percentage of moderate-income families in the assessment area at 17.9 percent.

In 2019, the bank made 26.4 percent of its home purchase loans, by number, to middle-income borrowers, which was consistent with the percentage by aggregate of lenders at 24.3 percent and above the percentage of middle-income families in the assessment area at 20.0 percent. The bank made 30.4 percent of its home purchase loans to upper-income borrowers, which was consistent with the percentage by aggregate lenders at 28.9 percent, by number, but below the percentage of upper-income families in the assessment area at 40.7 percent. The bank made 1.4 percent of its home purchase loans, by number, to borrowers of unknown income, which was below the percentage by aggregate lenders at 8.7 percent.

The bank's home purchase lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 24.5 percent of home purchase loans, by number, to middle-income borrowers. This was comparable to the percentage by aggregate lenders at 23.2 percent, and slightly above the percentage of middle-income families in the assessment area at 20.1 percent. Lending to upper-income borrowers, at 28.4 percent, was comparable to the percentage by aggregate lenders at 26.1 percent, but was below the percentage of upper-income families in the assessment area at 39.1 percent. The bank also originated 1.0 percent of its home purchase loans, by number, to borrowers of unknown income. This is below the aggregate lenders which originated 10.4 percent to borrowers of unknown income.

Refinance Loans

In 2019, the bank made 10.3 percent of its refinance loans, by number, to low-income borrowers, which exceeded the percentage by aggregate lenders at 7.4 percent. However, the bank's refinance lending was below the percentage of low-income families within the assessment area at 21.8 percent. The bank made 24.4 percent of its refinance loans, by number, to moderate-income borrowers. This exceeded both the percentage by aggregate lenders (18.6 percent) and the percentage of moderate-income families in the assessment area (17.4 percent).

The bank's 2018 lending performance to low-income borrowers was above the performance exhibited in 2019. The bank originated 20.5 percent of refinance loans to low-income borrowers in 2018, performing above the percentage by aggregate lenders (11.0 percent) while comparable to the percentage of low-income families (22.8 percent) within the assessment area. The bank's 2018 refinance lending to moderate-income borrowers, at 29.5 percent was above both the percentage by aggregate lenders (23.1 percent) and the percentage of moderate-income families (17.9 percent) within the assessment area.

In 2019, the bank made 26.9 percent of its refinance loans, by number, to middle-income borrowers, which was consistent with the percentage by aggregate lenders at 24.2 percent and above the percentage of middle-income families at 20.0 percent. The bank made 38.5 percent of its

refinance loans, by number, to upper-income borrowers, which was comparable to both the percentage by aggregate lenders (38.1 percent) and the percentage of upper-income families within the assessment area (40.7 percent). The bank did not make any of its refinance loans to borrowers of unknown income. Aggregate lenders originated 11.7 percent of refinance loans to borrowers of unknown income.

The bank's refinance lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 22.7 percent of its refinance loans to middle-income borrowers, which was consistent with both the percentage by aggregate lenders (25.3 percent) and the percentage of middle-income families in the assessment area (20.1) percent. Lending to upper-income borrowers, at 27.3 percent, by number, was slightly below the percentage by aggregate lenders at 32.1 percent and significantly below the percentage of upper-income families in the assessment area at 39.1 percent. The bank did not originate any refinance loans to unknown-income borrowers in 2018, which was below the percentage by aggregate lenders at 8.6 percent.

The table below presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019. The table for borrower distribution of HMDA-reportable loans in 2018 can be found in Appendix C.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Lansing-East Lansing, MI MSA 29620								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		2019						
		Count Bank		Agg	Dollar Bank			Agg
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	20	13.5	11.8	1,687	7.4	6.2	21.8
	Moderate	42	28.4	26.3	5,266	23.0	19.6	17.4
	Middle	39	26.4	24.3	6,376	27.9	24.2	20.0
	Upper	45	30.4	28.9	9,256	40.5	40.9	40.7
	Unknown	2	1.4	8.7	295	1.3	9.0	0.0
	Total		148	100.0	100.0	22,880	100.0	100.0
Refinance	Low	8	10.3	7.4	645	5.6	3.9	21.8
	Moderate	19	24.4	18.6	2,398	20.7	12.9	17.4
	Middle	21	26.9	24.2	3,032	26.2	21.6	20.0
	Upper	30	38.5	38.1	5,511	47.6	48.8	40.7
	Unknown	0	0.0	11.7	0	0.0	12.8	0.0
	Total		78	100.0	100.0	11,586	100.0	100.0
Home Improvement	Low	1	4.8	9.9	50	3.1	6.6	21.8
	Moderate	5	23.8	18.9	324	20.0	17.6	17.4
	Middle	4	19.0	27.0	217	13.4	23.9	20.0
	Upper	10	47.6	41.2	995	61.4	46.9	40.7
	Unknown	1	4.8	3.0	35	2.2	5.0	0.0
	Total		21	100.0	100.0	1,621	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	21.8
	Moderate	0	0.0	1.7	0	0.0	0.1	17.4
	Middle	0	0.0	0.0	0	0.0	0.0	20.0
	Upper	0	0.0	5.0	0	0.0	5.7	40.7
	Unknown	0	0.0	93.3	0	0.0	94.2	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	7.1	0	0.0	4.6	21.8
	Moderate	0	0.0	17.6	0	0.0	14.0	17.4
	Middle	0	0.0	26.4	0	0.0	21.2	20.0
	Upper	0	0.0	48.4	0	0.0	59.6	40.7
	Unknown	0	0.0	0.5	0	0.0	0.6	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	11.4	0	0.0	8.5	21.8
	Moderate	0	0.0	21.1	0	0.0	18.8	17.4
	Middle	0	0.0	23.7	0	0.0	23.8	20.0
	Upper	0	0.0	43.1	0	0.0	48.2	40.7
	Unknown	0	0.0	0.8	0	0.0	0.7	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	21.8
	Moderate	0	0.0	1.4	0	0.0	1.1	17.4
	Middle	0	0.0	1.4	0	0.0	0.9	20.0
	Upper	0	0.0	0.7	0	0.0	1.5	40.7
	Unknown	0	0.0	96.5	0	0.0	96.5	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	29	11.7	9.8	2,382	6.6	4.8	21.8
	Moderate	66	26.7	22.3	7,988	22.1	15.1	17.4
	Middle	64	25.9	24.1	9,625	26.7	20.6	20.0
	Upper	85	34.4	33.7	15,762	43.7	40.1	40.7
	Unknown	3	1.2	10.2	330	0.9	19.4	0.0
	Total		247	100.0	100.0	36,087	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

CRA-Reportable Lending

Small Business Loans

In 2019, the bank made 49.2 percent of its small business loans, by number, to businesses reporting annual revenues of \$1.0 million or less, which was consistent with the percentage by aggregate lenders at 47.2 percent. Of these loans, 60.0 percent had a loan amount of \$100,000 or less, which is reflective of loans most responsive to the smallest businesses. Businesses reporting annual revenues of \$1.0 million or less represented 90.2 percent of assessment area businesses. Area competition may contribute to the bank's small business lending performance being significantly below the percentage of small businesses within the assessment area, which is further evidenced by the top CRA reporters comprising larger, national banks within the assessment area for both 2018 and 2019. In addition, there is a significant number of businesses reporting annual revenues of \$1.0 million or less within the assessment area, making comparison to the percentage by aggregate lenders more appropriate and weighted heavier in determining the borrower distribution conclusion for CRA-reportable small business loans.

As seen in the 2018 table in Appendix C, the bank's record of lending to businesses of different revenue sizes exceeded 2019 lending. Of the bank's total business loans, 57.5 percent were originated to businesses with revenues of \$1.0 million or less. This was significantly above the percentage by aggregate lenders (45.4 percent). In addition, of the bank's total small business loans made to businesses with revenues of \$1.0 million or less, 52.0 percent were loan amounts of \$100,000 or less. The bank's performance was significantly below the percent of businesses reporting annual revenues of \$1.0 million or less within the assessment area at 89.4 percent.

The table below presents the borrower distribution of small business loans in the assessment area in 2019. The borrower distribution table for small business loans in 2018 can be found in Appendix C.

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2019 Lansing-East Lansing, MI MSA 29620								
Product Type		Bank & Aggregate Lending Comparison						
		Count		2019				Total Businesses
		Bank #	%	Agg %	Dollar		Agg \$ %	
\$ 000s	\$ %							
Revenue	\$1 Million or Less	30	49.2	47.2	4,477	43.1	31.0	90.2
	Over \$1 Million or Unknown	31	50.8	52.8	5,906	56.9	69.0	9.8
Total		61	100.0	100.0	10,383	100.0	100.0	100.0
Loan Size	\$100,000 or Less	34	55.7	91.3	2,074	20.0	28.5	
	\$100,001 - \$250,000	17	27.9	4.3	2,993	28.8	17.5	
	\$250,001 - \$1 Million	10	16.4	4.4	5,316	51.2	54.0	
	Total	61	100.0	100.0	10,383	100.0	100.0	
Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	18	60.0		1,104	24.7		
	\$100,001 - \$250,000	8	26.7		1,338	29.9		
	\$250,001 - \$1 Million	4	13.3		2,035	45.5		
	Total	30	100.0		4,477	100.0		

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Community Development Lending

The bank makes a relatively high level community development loans and makes use of innovative and/or flexible lending practices in the communities it serves. During the evaluation period, the bank extended seven loans for \$8.4 million; this represents a 9.4 percent decrease in the dollar amount of loans compared to the prior evaluation period when the bank extended seven loans in the amount of \$9.3 million. Two of the seven loans were new originations, with the other five loans consisting of renewals. Community development loans focused on affordable housing, and revitalization efforts, as displayed in the table below. The two new originations were PPP loans for the purpose of revitalize/stabilize. These loans were designed to assist the efforts of small businesses and to keep respective workforces employed during the COVID-19 pandemic. Through these PPP loans, the bank was responsive to the specific credit needs of the assessment area during a difficult time. Other community development loans focused on providing specific services to LMI individuals, such as mental health services and medical care assistance.

Community Development Loans										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/ Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Lansing MSA	0	0	3	1,503	0	0	4	6,938	7	8,441

INVESTMENT TEST

The bank made a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. During the review period, the bank made approximately \$4.1 million in new investments; the bank did not maintain any prior period investments in the assessment area. Total investment activity was consistent with performance at the previous evaluation. During that time, Independent Bank made \$4.3 million in total investments.

The bank’s donations totaled \$42,630 within the delineated assessment area. This is an increase from the previous evaluation during which time donations totaled \$18,402 in the assessment area. Donations were primarily for community service organizations offering pandemic recovery services, providing food to low-income residents, and assistance to low-income and at-risk children. However, the bank made two significant donations for economic development purposes totaling \$20,580, which went to the Lansing Regional Chamber of Commerce and the Small Business Association of Michigan to provide supportive services to local small businesses.

Additionally, the bank exhibits good responsiveness to credit and community development needs. The community representatives stated that the assessment area needs affordable housing. Of the \$4.1 million in total qualified community development investments, \$3.1 million went towards affordable housing investments within the assessment area.

Community Development Investments										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/ Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Lansing MSA	3	3,083	0	0	0	0	1	1,000	4	4,083

Community Development Contributions										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/ Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Full Scope Review										
Lansing MSA	2	4,500	23	15,000	2	20,580	3	2,550	30	42,630

SERVICE TEST

Delivery systems are accessible to the bank’s geographies and individuals of different income levels in the assessment area. The bank’s record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and individuals. Services do not vary in a way that inconveniences the bank’s assessment area, particularly to LMI

geographies and individuals. Independent Bank provides a relatively high level of community development services to the assessment area.

Retail Services

The bank's retail delivery services are readily accessible to geographies and individuals of different income levels in its assessment area. The bank operates one of its eight branches in a moderate-income census tract. To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals. Since the previous evaluation, the bank has closed two branches in the assessment area (both in middle-income census tracts); however, full-service ATMs remained at both locations.

Services do not vary in a way that inconveniences its assessment area, particularly low- or moderate-income geographies or low- or moderate-income individuals. The bank offers a standard range of products and services at all locations. Bank employees are available to meet with individuals as necessary, and the bank's ATM, telephone, mobile, and internet banking options expand the availability of services beyond the branch's regular operating hours, which typically range from 9:00 a.m. to 5:00p.m. Monday through Thursday, 9:00a.m. to 6:00 p.m. Friday, and 9:00 a.m. to 12:00 p.m. on Saturday.

Community Development Services

The bank provides a relatively high level of community development services to its assessment area.

The bank contributed 837 hours of service to the Lansing MSA. This is a 21.6 percent decrease in hours contributed since the previous evaluation, during which time the bank contributed 1,068 hours of service to its community. The bank did face challenges as a result of the COVID-19 pandemic that started in 2020 which provided limited opportunities for the bank to provide many of the services that would have previously provided in an in-person environment. However, the bank remained responsive to the assessment area by providing essential services virtually.

The vast majority of hours, 758, were designated as community services. Bank employees served on nonprofit boards of directors, donating their time and technical knowledge to these local organizations. Additionally, the bank's community development services went to serving the purposes of affordable housing organizations, economic development, and revitalize/stabilization.

The table below displays community development services in the assessment area during the review period.

Community Development Services August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/ Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Full Scope Review										
Lansing MSA	5	52	22	758	4	19	2	8	33	837

CENTRAL, MI NonMSA - Full Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN CENTRAL, MI NonMSA

The Central MI NonMSA is comprised of three contiguous counties, Isabella, Mecosta, and Newaygo in their entireties.

The assessment area is comprised of 37 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, one census tract is determined to be low-income, four census tracts are designated moderate-income, 28 census tracts are considered middle-income, and three census tracts are upper-income. There is one census tract in the assessment area with an unknown income. Isabella (11 of 15 census tracts) and Mecosta (8 of 11 census tracts) have census tracts designated as distressed middle-income census tracts based on elevated poverty levels.

The bank operates four branches and seven full-service ATMs within the assessment area. Further, one branch office, with a full-service ATM, as well as a standalone full-service ATM are located in distressed middle-income census tracts. Since the previous evaluation, the bank closed one branch, located in a distressed middle-income census tract, and six cash-only ATMs (two low-income, two distressed middle-income and two upper-income census tracts). The bank operates one branch in a moderate-income census tract, or 25.0 percent of its total branches. In addition, all branches include a full-service ATM. The bank does not operate any branches or ATMs in the assessment area’s low-income census tracts.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	2.7	0.9	2.6
Moderate	1	25.0	1	14.3	10.8	9.8	9.1
Middle	2	50.0	5	71.4	75.7	82.3	78.7
Upper	1	25.0	1	14.3	8.1	7.1	9.2
Unknown	0	0.0	0	0.0	2.7	0.0	0.3
Total	4	100.0	7	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation’s (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank 5th among 10 FDIC-insured institutions operating in the assessment area. The bank holds an 8.4 percent market share, compared to the market leader Isabella Bank, which holds 39.4 percent of the assessment area’s deposits.

Independent Bank ranks third out of 230 aggregate lenders in 2019 HMDA-reportable

transactions. A total of 194 originations and purchase transactions were reported by the bank compared to 442 reported by market leader Isabella Bank. The 2019 CRA Market Peer Report ranks the bank 24th out of 61 reporters. The bank originated or purchased 6 CRA-reportable loans in 2019; whereas, the first ranked institution, Isabella Bank, originated or purchased 394 loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the market with large national lenders, especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Central MI Non MSA									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	1	2.7	320	0.9	114	35.6	7,673	21.1	
Moderate-income	4	10.8	3,567	9.8	975	27.3	6,426	17.7	
Middle-income	28	75.7	29,915	82.3	3,655	12.2	7,594	20.9	
Upper-income	3	8.1	2,564	7.1	213	8.3	14,673	40.3	
Unknown-income	1	2.7	0	0.0	0	0.0	0	0.0	
Total Assessment Area	37	100.0	36,366	100.0	4,957	13.6	36,366	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied			Rental		Vacant		
		#	%	%	#	%	#	%	
Low-income	2,443	32	0.1	1.3	1,984	81.2	427	17.5	
Moderate-income	8,292	3,650	8.8	44.0	2,827	34.1	1,815	21.9	
Middle-income	58,784	35,145	84.4	59.8	10,246	17.4	13,393	22.8	
Upper-income	5,021	2,792	6.7	55.6	1,796	35.8	433	8.6	
Unknown-income	6	0	0.0	0.0	6	100.0	0	0.0	
Total Assessment Area	74,546	41,619	100.0	55.8	16,859	22.6	16,068	21.6	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#	%
Low-income	138	2.6	122	2.6	15	3.7	1	1.2	
Moderate-income	478	9.1	436	9.2	35	8.5	7	8.4	
Middle-income	4,133	78.7	3,748	78.8	315	76.8	70	84.3	
Upper-income	485	9.2	439	9.2	41	10.0	5	6.0	
Unknown-income	15	0.3	11	0.2	4	1.0	0	0.0	
Total Assessment Area	5,249	100.0	4,756	100.0	410	100.0	83	100.0	
	Percentage of Total Businesses:			90.6		7.8		1.6	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported		
#		%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	9	2.1	9	2.1	0	0.0	0	0.0	
Middle-income	411	93.8	402	93.9	7	87.5	2	100.0	
Upper-income	18	4.1	17	4.0	1	12.5	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	438	100.0	428	100.0	8	100.0	2	100.0	
Percentage of Total Farms:			97.7		1.8		0.5		
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS									
Note: Percentages may not add to 100.0 percent due to rounding									

Population Characteristics

Population was stable across the NonMSA assessment area, the counties which comprise the bank’s assessment area, and the state of Michigan, between 2010 and 2015. Mecosta County had the highest percentage of growth, 1.2 percent, while Newaygo County experienced a slight decrease in population of 0.9 percent. A community representative indicated that younger residents have been leaving the assessment area, specifically, Newaygo County. However, with the county being a Promise Zone (a high poverty community, federally designated by the government), efforts are being made to draw back population with a higher education. Consistent with 2010 populations, Isabella County continues to comprise the largest portion of the assessment area population (70,669) and Mecosta County, with the smallest (43,301).

The table below presents population change in the assessment area, the counties which comprise the bank’s assessment area, and the state of Michigan between 2010 and 2015.

Population Change 2010 and 2011-2015			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Isabella County, MI	70,311	70,669	0.5
Mecosta County, MI	42,798	43,301	1.2
Newaygo County, MI	48,460	48,029	-0.9
Central MI, NonMSA	161,569	161,999	0.0
State of Michigan	9,883,640	9,900,571	0.2

*Source: 2010 – U.S. Census Bureau: Decennial Census
2011-2015 – U.S. Census Bureau: Decennial Census: American Community Survey*

Income Characteristics

Overall, median family income grew across the assessment area, the counties comprising the assessment area, and the state of Michigan between 2010 and 2015. The percentage of change in Isabella (2.3 percent) and Newaygo (3.9 percent) Counties, was more consistent with the state of Michigan rate, at 3.2 percent, while Mecosta County’s percentage change was much higher, at 12.0 percent. Consistent with 2010 median family incomes, the 2015 median family incomes in the assessment area counties continue to be below the statewide median family income. Newaygo County is below the median family income of the assessment area (\$53,460).

There are a total of 36,366 families in the assessment area, of which 21.1 percent are designated as low-income and 17.7 percent are designated as moderate-income, which are consistent with the state of Michigan. The percentage of families living in the assessment area that have incomes below the poverty level is 13.6 percent, which is above the 11.9 percent poverty rate for the state of Michigan.

The table below presents median family change in the NonMSA assessment area, the counties in the assessment area, and the state of Michigan between 2010 and 2015.

Median Family Income Change 2006-2010 and 2011-2015			
Area	2006-2010 Median Family Income (\$)	2011-2015 Median Family Income (\$)	Percentage Change (%)
Isabella County, MI	55,183	56,435	2.3
Mecosta County, MI	48,145	53,944	12.0
Newaygo County, MI	49,499	51,424	3.9
State of Michigan	60,341	62,247	3.2
<i>Source: 2006-2010 – U.S. Census Bureau: American Community Survey 2011-2015 – U.S. Census Bureau: American Community Survey</i>			

According to data from the Administrative Office of the U.S. Courts, personal bankruptcy filing rates have remained stable from 2016 through 2019. Isabella, Mecosta, and Newaygo Counties all maintained a bankruptcy filing ratio (per 1,000 population) below 1.5, in 2019. In comparison, the state of Michigan maintained a bankruptcy filing ratio (per 1,000 population) of 3.0.

Housing Characteristics

According to 2019 FFIEC Census data, there are a total of 74,546 housing units in the assessment area. The majority of housing units are owner-occupied at 55.8 percent, while 22.6 percent are rental units. Additionally, 21.6 percent of housing units are vacant in the assessment area with LMI census tracts experiencing a higher percentage of vacancy when compared to middle- and upper-income census tracts. Within low-income census tracts, only 1.3 percent of housing units are owner-occupied, with the vast majority of housing units being rental units at 81.2 percent. The remaining 17.5 percent of housing units in low-income census tracts are vacant. Within moderate-income tracts, owner-occupied units comprise 44.0 percent of housing units, rental units make up 34.1 percent, and vacant units comprise 21.9 percent. The lower percentage of owner-occupied housing in low-income census tracts indicates significantly fewer lending opportunities in those areas.

Based on 2006-2010 and 2011-2015 ACS data, median housing values across all of the counties comprising the assessment area experienced decline. Isabella County median housing values in 2015 continue to be higher than those of Mecosta and Newaygo Counties and is comparable to the state of Michigan. Newaygo County continued to have the lowest housing costs when compared to other areas, with a median housing value of \$101,500 and median gross rent of \$670 during the 2011-2015 ACS time period.

A common method to compare relative affordability of housing across geographic areas is the affordability ratio, which is defined in Appendix E. An area with a higher ratio generally has more affordable housing than an area with a lower ratio. Based on a review of housing affordability

ratios, housing in Newaygo County is more affordable than both Isabella and Mecosta Counties, in addition to the state of Michigan. However, although housing is affordable, it is not readily available. According to a community contact, rental housing is in higher demand in Newaygo County. Rental properties move quickly, often spending less than a week on the market.

Please review the table below for more detail on trends in housing costs across the noted areas.

Trends in Housing Costs							
Location	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)	2011-2015 Affordability Ratio
Isabella County, MI	128,000	122,500	-4.3	652	717	10.0	0.32
Mecosta County, MI	119,200	110,500	-7.3	629	628	-0.2	0.38
Newaygo County, MI	115,800	101,500	-12.3	608	670	10.2	0.43
Central MI, NonMSA	121,150	111,837	-7.7	609	687	12.8	0.37
State of Michigan	144,200	122,400	-15.1	723	783	8.3	0.41

Source: U.S. Census Bureau: American Community Survey

Employment Characteristics

Based on the most recent data available from the Bureau of Labor Statistics (i.e., 2016-2019), unemployment rates experienced consistent declines across all geographical areas. Although Newaygo County experienced a slight increase in 2017, 2018 and 2019 both saw declines. In 2016, Mecosta County had the highest rates of unemployment among the related geographical areas at 5.4 percent. By 2019, with the economy well into recovery, unemployment rates had dropped to 4.7 percent, but was still higher than all other areas. Isabella County continued to maintain the lowest unemployment rate, at 3.8 percent in 2019, when compared other areas. According to a community representative, trends in unemployment rates indicate continued economic improvement for the assessment area since the previous economic recession. The table below presents the unemployment rate in the counties of the assessment area and the state of Michigan between 2016 and 2019.

Unemployment Rates (%) 2016 to 2019				
Region	2016	2017	2018	2019
Isabella County, MI	4.5	4.4	3.9	3.8
Mecosta County, MI	5.4	5.7	5.0	4.7
Newaygo County, MI	4.7	4.9	4.3	4.2
State of Michigan	4.9	4.6	4.1	4.1

Source: U.S. Bureau of Labor Statistics

Major Employers

The assessment area is home to a mix of businesses that employ a substantial portion of the local population. Soaring Eagle Casino & Resort continues to be the largest employer in the area with 4,000 employees. The casino, university (Central Michigan) and manufacturing industries have a large impact on the employment conditions of the assessment area. Community representatives stated that during the review period, as businesses in the area continued to grow and expand, attracting qualified workers is challenging.

The table below presents the largest employers in the assessment area.

Largest Employers in the Assessment Area		
Company	Number of Employees	Industry
Soaring Eagle Casino & Resort	4,000	Casinos
Board-Trustees Central Michigan Univ	2,600	University-Governing Body
Gerber Products Co	1,350	Baby Food (Wholesale)
McLaren Central MI Heart Center	1,215	Physicians & Surgeons - Hospitals
Delfield Co	700	Food Products-Machinery (Mfrs)
Central Michigan University	501	University – Schools Music
McBride Quality Care Svc Inc	500	Adult Care Facilities
Magna Mirrors	500	Manufacturers

Source: Business information provided by Infogroup®, Omaha, NE

Community Representatives

Two community representatives were contacted to provide information about local housing, employment, and other economic conditions within the assessment area. Representatives identified affordable housing and small business lending as the assessment area’s greatest needs. Representatives indicated that the demand for affordable housing is at an all-time high. In addition, there has been an increase in second-home ownership due to the proximity to the lakes, which limits housing stock. They also stated small businesses, including start-up businesses, struggle to find initial funding from institutions, indicating an opportunity for local banks to get involved. Lastly, the community representative commented that there is a high number of townships in the assessment area, but the limited number of financial institutions located within the townships presents an opportunity for financial institutions to expand.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS CENTRAL, MI NonMSA

LENDING TEST

The geographic distribution of loans reflects good penetration throughout the assessment area. The distribution of borrowers reflects, given the product lines offered, excellent penetration among customers of different income levels and businesses of different sizes. The bank makes a relatively

high level of community development loans and makes use of innovative and/or flexible lending practices in the communities it serves.

Geographic Distribution of Loans

The bank's lending activities reflect good distribution throughout the assessment area.

Independent Bank originated HMDA-and CRA-reportable loans in 86.5 percent of the 37 census tracts in the Central MI NonMSA assessment area in 2019. While the bank did not originate any loans in the assessment area's single low-income census tract, the bank did penetrate all four of the assessment area's moderate-income census tracts. In addition, the bank originated loans in 16 of the 19 distressed middle-income census tracts. This is significantly above the bank's geographic penetration across census tracts in 2018, where the bank originated loans in only 64.9 percent of the 37 census tracts, no loans in the low-income census tract and in two of the four moderate-income census tracts. In 2018, the bank originated loans in three of the bank's 19 distressed middle-income census tracts. While there were no conspicuous gaps in HMDA-reportable lending across the bank's assessment area, opportunities to lend were limited. The percentage of rental units (81.2 percent) and vacant units (17.5 percent) in the low-income census tracts and 34.1 percent rental units and 21.9 percent vacant units in the moderate-income census tracts resulted in limited stock of owner-occupied housing units in the assessment area, limiting the bank's opportunity to lend.

A breakdown of the bank's HMDA- and CRA-reportable lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank did not originate any home purchase loans in low-income census tracts. However, this was comparable to both the aggregate of lenders, which only made 0.3 percent, by number, of HMDA-reportable home purchase loans in these census tracts, and the percentage of owner-occupied units in low-income census tracts, at 0.1 percent. Finding opportunities to lend in low-income census tracts continues to be difficult with 81.2 percent of the housing serving as rental property and 17.5 percent of the properties listed as vacant. The bank made 20.9 percent, by number, of its home purchase loans in moderate-income census tracts in 2019. This significantly exceeded both the aggregate lenders, at 9.4 percent and the percentage of owner-occupied units within such tracts, at 8.8 percent.

As seen in the 2018 lending table located in Appendix C, home purchase lending was consistent with 2019 lending, where the bank did not originate any home purchase loans in the low-income tract; however, this was comparable to the 0.2 percent by aggregate lenders and the 0.1 percent of owner-occupied units available in those tracts. Home purchase loans originated in moderate-

income tracts in 2018, at 12.3 percent by number, was slightly above both the aggregate lenders, who made 8.6 percent of loans, and the percentage of owner-occupied units in moderate-income tracts at 8.8 percent.

In 2019, the bank made 74.7 percent of its home purchase loans, by number, in middle-income census tracts, which was below both the percentage by aggregate lenders and the percentage of owner-occupied units within such tracts, at 83.0 percent and 84.4 percent, respectively. However, the bank did originate loans within 16 of the banks 19 distressed middle-income tracts. As it relates to upper-income census tracts, the bank made 4.4 percent, by number, of its home purchase loans in such tracts, which was consistent with both the percentage by aggregate lenders (7.3 percent) and the percentage of owner-occupied units within these tracts (6.7 percent).

The bank's lending activity in 2018, as it relates to home purchase loans originated in middle- and upper-income census tracts, was slightly above the outcomes to that of 2019. More specifically, the bank made 83.6 percent of its 2018 home purchase loans in middle-income census tracts, consistent with both the aggregate lenders at 84.1 percent and the percentage of owner-occupied housing in middle-income census tracts at 84.4 percent. Within upper-income census tracts, performance was also consistent with 2019. The bank made 4.1 percent of its 2018 home purchase loans, which was below the percentage of aggregate lenders at 7.1 percent and the percentage of owner-occupied housing in upper-income census tracts at 6.7 percent.

Refinance Loans

In 2019, similar to home purchase lending, the bank did not originate any of its refinance loans, in the low-income census tract. However, this is comparable to the percentage by aggregate lenders and the percentage of owner-occupied units in low-income census tracts both at 0.1 percent. The bank made 8.6 percent of its refinance loans in moderate-income census tracts, which was similar to the percentage of loans made by aggregate lenders at 7.0 percent, and also to the percentage of owner-occupied units in these tracts at 8.8 percent.

Refinance lending performance in low- and moderate-income census tracts in 2018 is consistent with that of 2019. The bank did not originate any of its refinance loans, in low-income census tracts. This is comparable to the percentage by aggregate lenders and the percentage of owner-occupied units in low-income census tracts, which are both at 0.1 percent. The bank originated 22.6 percent of its refinance loans in moderate-income census tracts. This significantly exceeded both the percentage by aggregate lenders at 7.0 percent and the percentage of owner-occupied units in those tracts at 8.8 percent.

The bank made 84.5 percent of its refinance loans, by number, in middle-income census tracts in 2019. This was consistent with the performance of the aggregate lenders, which made 85.7 percent of such loans and the percentage of owner-occupied units at 84.4 percent. The bank originated 6.9 percent of its refinance loans in upper-income tracts, which was consistent with the percentage by aggregate lenders, at 7.2 percent and the percentage of owner-occupied housing in upper-income census tracts at 6.7 percent.

Refinance lending in middle- and upper-income census tracts in 2018 was below outcomes in 2019. The bank made 77.4 percent of its refinance loans in middle-income census tracts, which was below the aggregate lenders who made 87.3 percent and below the percentage of owner-occupied housing in middle-income census tracts at 84.4 percent. The bank did not originate any refinance loans in the upper income tracts in 2018, which was below the percentage of aggregate lenders at 5.6 percent and the percentage of owner-occupied housing in upper-income census tracts at 6.7 percent.

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2019 Central MI Non MSA							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2019			Dollar		
		Count Bank		Agg	Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	0	0.0	0.3	0	0.0	0.3
	Moderate	19	20.9	9.4	3,092	23.4	9.3
	Middle	68	74.7	83.0	9,492	72.0	81.9
	Upper	4	4.4	7.3	607	4.6	8.5
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		91	100.0	100.0	13,191	100.0
Refinance	Low	0	0.0	0.1	0	0.0	0.0
	Moderate	5	8.6	7.0	514	7.7	6.4
	Middle	49	84.5	85.7	5,804	87.1	85.4
	Upper	4	6.9	7.2	342	5.1	8.2
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		58	100.0	100.0	6,660	100.0
Home Improvement	Low	0	0.0	0.4	0	0.0	0.7
	Moderate	4	22.2	9.6	239	20.2	9.0
	Middle	14	77.8	84.7	942	79.8	82.2
	Upper	0	0.0	5.2	0	0.0	8.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		18	100.0	100.0	1,181	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	12.5	0	0.0	4.7
	Middle	0	0.0	68.8	0	0.0	89.0
	Upper	0	0.0	18.8	0	0.0	6.3
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	12.0	0	0.0	7.2
	Middle	0	0.0	78.3	0	0.0	85.4
	Upper	0	0.0	9.8	0	0.0	7.5
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	7.3	0	0.0	8.3
	Middle	0	0.0	88.7	0	0.0	88.5
	Upper	0	0.0	4.0	0	0.0	3.2
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	6.9	0	0.0	4.1
	Middle	0	0.0	89.7	0	0.0	90.3
	Upper	0	0.0	3.4	0	0.0	5.6
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	0	0.0	0.2	0	0.0	0.2
	Moderate	28	16.8	8.6	3,845	18.3	8.1
	Middle	131	78.4	84.1	16,238	77.2	83.5
	Upper	8	4.8	7.0	949	4.5	8.2
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		167	100.0	100.0	21,032	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

CRA-Reportable Lending

Small Business Loans

In 2019, the bank did not originate any small business loans in the low-income census tracts. However, this performance was comparable to both the percentage by aggregate lenders (1.7 percent) and the percentage of total businesses (2.6 percent) within low-income census tracts. The bank did not make any small business loans in the moderate-income census tracts. This was below both the percentage by aggregate lenders (5.8 percent) and the percentage of total businesses located in moderate-income census tracts (9.1 percent).

The bank's CRA-reportable small business lending in 2018 was comparable in low-income census tracts when compared to 2019; however, the bank exceeded performance in moderate-income census tracts. The bank did not originate any loans in low-income census tract; however, this was consistent with aggregate lenders (1.9 percent) and the percentage of total businesses in low-income census tracts (2.4 percent). The bank originated 18.8 percent of its small business loans in moderate-income census tracts in 2018, performing significantly above aggregate lenders and above the percentage of total businesses, at 5.7 percent and 9.2 percent, respectively.

The bank made all of its small business loans, by number, in middle-income census tracts, including in one distressed middle-income tract. This significantly exceeded the percentage by aggregate lenders at 80.3 percent, by number, and the percent of total businesses that are located in these tracts at 78.7 percent. The bank made no small business loans, by number, in upper-income census tracts which was significantly below the percentage by aggregate lenders at 10.8 percent and below the percent of total businesses in these census tracts at 9.2 percent.

The bank's CRA-reportable small business lending in 2018 was comparable to 2019 in middle- and upper-income census tracts. The bank made 62.5 percent of its small business loans, by number, in middle-income census tracts, which was significantly below both the percentage by aggregate lenders at 79.8 percent and the percentage of total businesses in these census tracts at 78.9 percent. Small business lending in upper-income census tracts, at 18.8 percent by number, exceeded both the percentage by aggregate lenders at 11.5 percent and the percentage of small businesses located in upper-income census tracts at 9.1 percent.

The table below presents the geographic distribution of CRA-reportable small business loans in the assessment area in 2019. The lending table showing geographic distribution of small business loans in 2018 can be found in Appendix C.

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Central MI Non MSA								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count			Dollar			
		Bank	Agg	Agg	Bank	Agg	Agg	
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	0	0.0	1.7	0	0.0	4.9	2.6
	Moderate	0	0.0	5.8	0	0.0	4.8	9.1
	Middle	6	100.0	80.3	533	100.0	76.7	78.7
	Upper	0	0.0	10.8	0	0.0	13.3	9.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.3
	Tr Unknown			1.3			0.3	
	Total	6	100.0	100.0	533	100.0	100.0	100.0
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Lending to Borrowers of Different Income Levels and Lending to Businesses of Different Sizes

The bank’s lending activities reflect excellent distribution, particularly in its assessment area, of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

A breakdown of the bank’s HMDA- and CRA-reportable lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank made 9.9 percent of its home purchase loans, by number, to low-income borrowers, with performance above the percentage by aggregate lenders at 6.6 percent, but was significantly below the demographic figure, at 21.1 percent, of assessment area families of low-income. The bank made 17.6 percent of its home purchase loans, by number, to moderate-income borrowers. This was below the percentage by aggregate lenders at 20.9 percent, but was comparable to the percentage of moderate-income families within the assessment area at 17.7 percent.

As seen in the 2018 table in Appendix C, the bank’s performance of lending to low- and moderate-income borrowers was below its performance in 2019. The bank originated 5.5 percent, by number, of home purchase loans to low-income borrowers. This was below the percentage by aggregate lenders at 8.4 percent and significantly below the percentage of low-income families in the assessment area at 21.1 percent. The bank originated 21.9 percent of its home purchase loans to

moderate-income borrowers, which was comparable to the percentage by aggregate lenders at 21.2 percent and slightly above the percentage of moderate-income families in the assessment area at 17.6 percent.

In 2019, the bank made 31.9 percent of its home purchase loans, by number, to middle-income borrowers, which exceeded the percentage by aggregate of lenders at 25.2 percent and significantly exceeded the percentage of middle-income families in the assessment area at 20.9 percent. The bank made 39.6 percent of its home purchase loans to upper-income borrowers, slightly exceeding the percentage by aggregate lenders at 36.5 percent, by number, while consistent with the percentage of upper-income families in the assessment area at 40.3 percent. The bank made 1.1 percent of its home purchase loans, by number, to borrowers of unknown income, which was below the percentage by aggregate lenders at 10.7 percent.

The bank's home purchase lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 31.5 percent of home purchase loans, by number, to middle-income borrowers. This was above the percentage by aggregate lenders at 23.4 percent and significantly above the percentage of middle-income families in the assessment area at 20.9 percent. Lending to upper-income borrowers, at 38.4 percent, was slightly above the percentage by aggregate lenders at 34.9 percent, and comparable to the percentage of upper-income families in the assessment area at 40.4 percent. The bank also originated 2.7 percent of its home purchase loans, by number, to borrowers of unknown income. This is below the aggregate lenders who originated 12.1 percent to borrowers of unknown income.

Refinance Loans

In 2019, the bank made 10.3 percent of its refinance loans, by number, to low-income borrowers, which was above the percentage by aggregate lenders at 6.9 percent. However, the bank's refinance lending was significantly below the percentage of low-income families within the assessment area at 21.1 percent. The bank made 27.6 percent of its refinance loans, by number, to moderate-income borrowers. This was significantly above the percentage by aggregate lenders (16.1 percent) and above the percentage of moderate-income families (17.7 percent) in the assessment area.

The bank's lending performance to low-income borrowers was consistent with the performance exhibited in 2019. The bank originated 16.1 percent of refinance loans to low-income borrowers in 2018, performing above the percentage by aggregate lenders (9.4 percent), but below the percentage of low-income families (21.1 percent) within the assessment area. The bank's 2018 refinance lending to moderate-income borrowers, at 25.8 percent exceeded both the percentage by aggregate lenders (16.5 percent) and the percentage of moderate-income families (17.6 percent) within the assessment area.

In 2019, the bank made 17.2 percent of its refinance loans, by number, to middle-income borrowers, which was below the percentage by aggregate lenders at 22.1 percent and the

percentage of middle-income families at 20.9 percent. The bank made 44.8 percent of its refinance loans, by number, to upper-income borrowers, which was consistent to the percentage by aggregate lenders (42.0 percent) and slightly above the percentage of upper-income families within the assessment area (40.3 percent). The bank did not originate any refinance loans to borrowers with unknown incomes, while the percentage by aggregate lenders was at 12.9 percent.

The bank's refinance lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 19.4 percent of its refinance loans to middle-income borrowers, which was below the percentage by aggregate lenders at 24.6 percent, but consistent with the percentage of middle-income families in the assessment area at 20.9 percent. Lending to upper-income borrowers, at 38.7 percent, by number, exceeded the percentage by aggregate lenders at 33.8 percent and was consistent with the percentage of upper-income families in the assessment area at 40.4 percent. The bank did not originate any refinance loans to borrowers with unknown incomes in 2018, while the percentage by aggregate of lenders was at 15.7 percent.

The table below presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019. The table for borrower distribution of HMDA-reportable loans in 2018 can be found in Appendix C.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Central MI Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		2019		2019				
		Count Bank		Agg	Dollar Bank			Agg
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	9	9.9	6.6	654	5.0	3.7	21.1
	Moderate	16	17.6	20.9	1,788	13.6	15.7	17.7
	Middle	29	31.9	25.2	3,450	26.2	23.4	20.9
	Upper	36	39.6	36.5	7,116	53.9	47.0	40.3
	Unknown	1	1.1	10.7	183	1.4	10.2	0.0
	Total		91	100.0	100.0	13,191	100.0	100.0
Refinance	Low	6	10.3	6.9	331	5.0	3.8	21.1
	Moderate	16	27.6	16.1	1,367	20.5	11.5	17.7
	Middle	10	17.2	22.1	1,331	20.0	20.1	20.9
	Upper	26	44.8	42.0	3,631	54.5	50.7	40.3
	Unknown	0	0.0	12.9	0	0.0	13.9	0.0
	Total		58	100.0	100.0	6,660	100.0	100.0
Home Improvement	Low	0	0.0	5.6	0	0.0	3.5	21.1
	Moderate	4	22.2	17.3	148	12.5	15.4	17.7
	Middle	6	33.3	30.5	525	44.5	29.5	20.9
	Upper	7	38.9	43.0	458	38.8	48.8	40.3
	Unknown	1	5.6	3.6	50	4.2	2.8	0.0
	Total		18	100.0	100.0	1,181	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	21.1
	Moderate	0	0.0	0.0	0	0.0	0.0	17.7
	Middle	0	0.0	0.0	0	0.0	0.0	20.9
	Upper	0	0.0	6.3	0	0.0	1.3	40.3
	Unknown	0	0.0	93.8	0	0.0	98.7	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	2.2	0	0.0	0.4	21.1
	Moderate	0	0.0	19.6	0	0.0	16.0	17.7
	Middle	0	0.0	31.5	0	0.0	31.0	20.9
	Upper	0	0.0	46.7	0	0.0	52.5	40.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	8.7	0	0.0	6.4	21.1
	Moderate	0	0.0	18.7	0	0.0	13.9	17.7
	Middle	0	0.0	22.7	0	0.0	22.7	20.9
	Upper	0	0.0	45.3	0	0.0	53.7	40.3
	Unknown	0	0.0	4.7	0	0.0	3.3	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	21.1
	Moderate	0	0.0	1.7	0	0.0	3.7	17.7
	Middle	0	0.0	0.0	0	0.0	0.0	20.9
	Upper	0	0.0	1.7	0	0.0	4.1	40.3
	Unknown	0	0.0	96.6	0	0.0	92.3	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	15	9.0	6.5	985	4.7	3.6	21.1
	Moderate	36	21.6	18.7	3,303	15.7	13.7	17.7
	Middle	45	26.9	24.2	5,306	25.2	21.6	20.9
	Upper	69	41.3	38.6	11,205	53.3	46.3	40.3
	Unknown	2	1.2	12.1	233	1.1	14.9	0.0
	Total		167	100.0	100.0	21,032	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

CRA-Reportable Lending

Small Business Loans

In 2019, the bank made 66.7 percent of its small business loans, by number, to businesses reporting annual revenues of \$1.0 million or less, which significantly exceeded the percentage by aggregate lenders at 46.8 percent. Of these loans, 75.0 percent had a loan amount of \$100,000 or less, which is reflective of loans most responsive to the smallest businesses. Businesses reporting annual revenues of \$1.0 million or less represented 90.6 percent of assessment area businesses. Area competition may contribute to the bank's small business lending performance being significantly below the percentage of small businesses within the assessment area, which is further evidenced by the top CRA reporters comprising larger, national banks within the assessment area for both 2018 and 2019. In addition, there is a significant number of businesses reporting annual revenues of \$1.0 million or less within the assessment area, making comparison to the percentage by aggregate lenders more appropriate and weighted heavier in determining the borrower distribution conclusion for CRA-reportable small business loans.

As seen in the 2018 table in Appendix C, the bank's record of lending to businesses of different revenue sizes was below 2019 lending. Of the bank's total business loans, 43.8 percent were originated to businesses with revenues of \$1.0 million or less. This was slightly below the percentage by aggregate lenders (47.2 percent). However, of the bank's total small business loans made to businesses with revenues of \$1.0 million or less, 71.4 percent were for loan amounts of \$100,000 or less. The bank's performance was below the percent of businesses reporting annual revenues of \$1.0 million or less within the assessment area at 90.0 percent.

The table below presents the borrower distribution of small business loans in the assessment area in 2019. The borrower distribution table for small business loans in 2018 can be found in Appendix C.

Small Business Lending By Revenue & Loan Size										
Assessment Area: 2019 Central MI Non MSA										
Product Type		Bank & Aggregate Lending Comparison								
		Count		2019				Total Businesses		
				Dollar		Total				
Bank	Agg	Bank	Agg	Bank	Agg	Bank	Agg			
#	%	%	\$ %	\$ %	\$ %	%	%			
Small Business	Revenue	\$1 Million or Less		4	66.7	46.8	343	64.4	33.4	90.6
		Over \$1 Million or Unknown		2	33.3	53.2	190	35.6	66.6	9.4
		Total		6	100.0	100.0	533	100.0	100.0	100.0
	Loan Size	\$100,000 or Less		4	66.7	87.1	253	47.5	26.0	
		\$100,001 - \$250,000		2	33.3	6.8	280	52.5	18.7	
		\$250,001 - \$1 Million		0	0.0	6.1	0	0.0	55.4	
		Total		6	100.0	100.0	533	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less		3	75.0		213	62.1		
		\$100,001 - \$250,000		1	25.0		130	37.9		
		\$250,001 - \$1 Million		0	0.0		0	0.0		
Total		4	100.0		343	100.0				

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Community Development Lending

The bank makes a relatively high level community development loans. During the evaluation period, the bank extended six loans for \$3.4 million; this represents an approximately 67.1 percent decrease in the dollar amount of loans compared to the prior evaluation period when, the bank extended six loans in the amount of \$10.3 million. All six of the loans during this review period were new originations. Community development loans focused on community service efforts, as displayed in the table below. The bank was responsive to the specific credit needs of the assessment area through its origination of these loans by providing essential services targeted to LMI individuals, including medical services.

Community Development Loans										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Central NonMSA	0	0	6	3,397	0	0	0	0	6	3,397

INVESTMENT TEST

The bank made a significant level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. During the review period, the bank made approximately \$2.0 million in new investments,

that targeted and provided essential services to LMI individuals. The bank did not maintain any prior period investments in the assessment area. Total investment activity was consistent with performance at the previous evaluation. During that time, Independent Bank made \$1.8 million in total investments.

The bank's donations totaled \$25,350 within the delineated assessment area. This is a slight increase from the previous evaluation during which time donations totaled \$24,472 in the assessment area. Donations were primarily for community service organizations offering pandemic recovery services, providing food to low-income residents, and assistance to low-income and at-risk children.

Community Development Investments										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Central NonMSA	1	125	2	221	0	0	1	1,700	4	2,046

Community Development Contributions										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Full Scope Review										
Central NonMSA	1	1,500	11	23,850	0	0	0	0	12	25,350

SERVICE TEST

Delivery systems are accessible to the bank's geographies and individuals of different income levels in the assessment area. The bank's record of opening and closing branches has generally not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and individuals. Services do not vary in a way that inconveniences the bank's assessment area, particularly to LMI geographies and individuals. Independent Bank provides an adequate level of community development services to the assessment area.

Retail Services

The bank's retail delivery services are readily accessible to geographies and individuals of different income levels in its assessment area. The bank operates one of its four branches in a moderate-income census tract, as well as one branch and a standalone full-service ATM in distressed middle-income census tracts. To the extent changes have been made, its record of opening and closing branches has generally not adversely affected the accessibility of its delivery systems, particularly

in low- or moderate-income geographies or to low- or moderate-income individuals. Since the previous evaluation, the bank has closed one branch, with a full-service ATM, (distressed middle-income census tract) and six standalone cash-only ATMs (two low-income, two distressed middle-income, and two upper-income census tracts) in the assessment area.

Services do not vary in a way that inconveniences its assessment area, particularly low- or moderate-income geographies or low- or moderate-income individuals. The bank offers a standard range of products and services at all locations. Bank employees are available to meet with individuals as necessary, and the bank's ATM, telephone, mobile, and internet banking options expand the availability of services beyond the branch's regular operating hours, which typically range from 9:00 a.m. to 5:00 p.m. Monday through Thursday, 9:00 a.m. to 6:00 p.m. Friday, and 9:00 a.m. to 12:00 p.m. on Saturday.

Community Development Services

The bank provides an adequate level of community development services to its assessment area. The bank contributed a beneficial 242 hours of service to the Central MI NonMSA. This is a 19.9 percent decrease in hours contributed since the previous evaluation, during which time the bank contributed 302 hours of service to its community. The bank did face challenges as a result of the COVID-19 pandemic that started in 2020 which provided limited opportunities for the bank to provide many of the services that would have previously provided in an in-person environment, they were adaptable to remain responsive to the assessment area, providing essential services virtually.

All of the hours served, 242, were designated as community services. Bank employees served on nonprofit boards of directors, donating their time and technical knowledge to these local organizations.

The table below displays community development services in the assessment area during the review period.

Community Development Services										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Full Scope Review										
Central NonMSA	0	0	8	242	0	0	0	0	8	242

EASTERN, MI NonMSA - Full Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN EASTERN MI, NonMSA

The Eastern MI NonMSA is comprised of three contiguous counties, Huron, Sanilac, and Tuscola, in their entireties.

The assessment area is comprised of 40 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, one census tract is designated moderate-income, and 36 census tracts are considered middle-income, there are no low- or upper-income census tracts located in the assessment area. There are three census tracts in the assessment area with an unknown income. In addition, in 2019, 11 of 13 census tracts within Huron County were designated as underserved middle-income census tracts based on their remote rural location.

The bank operates six branches and nine full-service ATMs within the assessment area. Since the previous evaluation, the bank closed one branch, located in an underserved middle-income census tract. The bank operates one branch in a moderate-income census tract, or 16.7 percent of its total branches, as well as two branches (each with full-service ATMs) and a standalone full-service ATM within underserved middle-income census tracts. In addition, all branches include a full-service ATM.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	0.0	0.0	0.0
Moderate	1	16.7	1	11.1	2.5	2.8	5.7
Middle	5	83.3	8	88.9	90.0	97.2	94.3
Upper	0	0.0	0	0.0	0.0	0.0	0.0
Unknown	0	0.0	0	0.0	7.5	0.0	0.0
Total	6	100.0	9	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank third among 11 FDIC-insured institutions operating in the assessment area. The bank holds a 13.0 percent market share, compared to the market leader TCF National Bank, which holds 25.6 percent of the assessment area's deposits.

Independent Bank ranks seventh out of 195 aggregate lenders in 2019 HMDA-reportable transactions. A total of 86 originations and purchase transactions were reported by the bank compared to 280 reported by market leader Frankenmuth Credit Union. The 2019 CRA Market

Peer Report ranks the bank 13th out of 57 reporters. The bank originated or purchased 36 CRA-reportable loans in 2019; whereas, the first ranked institution, JPMorgan Chase Bank N.A., originated or purchased 332 loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the market with large national lenders, especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Eastern MI Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	6,384	18.4
Moderate-income	1	2.5	986	2.8	105	10.6	7,092	20.4
Middle-income	36	90.0	33,696	97.2	3,503	10.4	7,781	22.4
Upper-income	0	0.0	0	0.0	0	0.0	13,425	38.7
Unknown-income	3	7.5	0	0.0	0	0.0	0	0.0
Total Assessment Area	40	100.0	34,682	100.0	3,608	10.4	34,682	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	1,854	1,024	2.5	55.2	586	31.6	244	13.2
Middle-income	66,218	40,585	97.5	61.3	9,194	13.9	16,439	24.8
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	68,072	41,609	100.0	61.1	9,780	14.4	16,683	24.5
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	272	5.7	230	5.3	37	10.4	5	4.3
Middle-income	4,533	94.3	4,104	94.7	318	89.6	111	95.7
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	4,805	100.0	4,334	100.0	355	100.0	116	100.0
	Percentage of Total Businesses:			90.2		7.4		2.4
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	2	0.2	2	0.2	0	0.0	0	0.0
Middle-income	866	99.8	852	99.8	14	100.0	0	0.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	868	100.0	854	100.0	14	100.0	0	0.0
	Percentage of Total Farms:			98.4		1.6		0.0
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Population Characteristics

Population change between 2010 and 2015 was consistent across the counties which comprise the bank’s assessment area, with all three counties experiencing a slight decline. Sanilac County had the largest percentage of decline, 2.6 percent, while Tuscola County experienced the lowest percentage by decline in population at 2.3 percent. A community representative noted the population is steadily decreasing within the assessment area, and a huge cause is due to local businesses relocating, primarily those within the automotive industry. This is due to the fact that local businesses are finding it increasingly difficult to find individuals interested in filling open skilled labor positions. Further, individuals within the age range of 20-30 years old generally leave the area to work in more metropolitan areas due to higher wages and increased job opportunity. In general, the population decline is a concern for the area.

The table below presents population change in the counties which comprise the bank’s assessment area, and the state of Michigan the counties belong between 2010 and 2015.

Population Change 2010 and 2011-2015			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Huron County, MI	33,118	32,290	-2.5
Sanilac County, MI	43,114	42,014	-2.6
Tuscola County, MI	55,729	54,420	-2.3
State of Michigan	9,883,640	9,900,571	0.2
<i>Source: 2010— U.S. Census Bureau: Decennial Census 2011-2015— U.S. Census Bureau: Decennial Census: American Community Survey</i>			

Income Characteristics

Overall, median family income between 2010 and 2015 grew across the counties comprising the assessment area, and the state of Michigan. While all experienced rates of growth, Sanilac and Tuscola Counties, at 4.0 and 5.0 percent, respectively, grew less than Huron County, which increased at 8.8 percent. Wherein the state of Michigan, at a percentage by 3.2 percent, was lower than all the individual counties. Additionally, during the 2011-2015 ACS time period, Huron County, with its significant median family income growth, surpassed Tuscola County as the county in the assessment area with the highest median family income. According to a community representative, wages in the assessment area are sustainable, and have been increasing in recent years as a result of the competitive environment of the area. However, the community representative stated that due to the more rural nature of the counties, and the lower cost of living, wages will remain lower when compared to other parts of the state.

There are a total of 34,682 families in the assessment area, of which 18.4 percent are designated as low-income families and 20.5 percent are designated as moderate-income families. This is consistent with the percentage of LMI families in the state of Michigan. The percentage of families

living in the assessment area that have incomes below the poverty level is 10.4 percent, which is below the 11.9 percent poverty percentage by the state of Michigan.

The table below presents median family change in the assessment area counties and the state of Michigan between 2010 and 2015.

Median Family Income Change 2006-2010 and 2011-2015			
Area	2006-2010 Median Family Income (\$)	2011-2015 Median Family Income (\$)	Percentage Change (%)
Huron County, MI	49,444	53,806	8.8
Sanilac County, MI	49,005	50,984	4.0
Tuscola County, MI	50,262	52,800	5.0
State of Michigan	60,341	62,247	3.2
<i>Source: 2006-2010 – U.S. Census Bureau: American Community Survey 2011-2015 – U.S. Census Bureau: American Community Survey</i>			

According to data from the Administrative Office of the U.S. Courts, personal bankruptcy filing rates have remained relatively stable from 2016 through 2019. Both Huron and Sanilac Counties maintained a bankruptcy filing ratio (per 1,000 population) below 2.5 from 2016 to 2019, while Tuscola County was a slightly higher, but still maintained a ratio under 3.5 in 2019. Similarly, the state of Michigan maintained a bankruptcy filing ratio (per 1,000 population) of around 3.0.

Housing Characteristics

According to 2019 FFIEC Census data, there are a total of 68,072 housing units in the assessment area. The majority of housing units, at 61.1 percent, are owner-occupied, while 14.4 percent are rental units. Additionally, 24.5 percent of housing units are vacant in the assessment area. Within the sole moderate-income census tract, there are only 1,854 total housing units, of which 55.2 percent of housing units are owner-occupied, with the rental units at 31.6 percent. The remaining 13.2 percent of housing units in moderate-income census tracts are vacant. The lower percentage of total housing (2.7 percent) in the moderate-income census tract indicates significantly fewer lending opportunities in those areas.

Based on 2006-2010 and 2011-2015 ACS data, housing costs across the assessment area declined. Sanilac County continued to have highest median housing value (\$94,800), while experiencing the greatest decline (18.0 percent). Huron County continued to have the lowest housing costs when compared to other areas, with a median housing value of \$92,900 and median gross rent of \$606 during the 2011-2015 ACS time period.

A common method to compare relative affordability of housing across geographic areas is the affordability ratio, which is defined in Appendix E. An area with a higher ratio generally has more affordable housing than an area with a lower ratio. Based on a review of housing affordability ratios, housing in Tuscola County is more affordable when compared to Huron and Sanilac

Counties, in addition to the state of Michigan.

Please review the table below for more detail on trends in housing costs across the noted areas.

Trends in Housing Costs							
Location	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)	2011-2015 Affordability Ratio
Huron County, MI	104,900	92,900	-11.4	509	606	19.1	0.45
Sanilac County, MI	115,600	94,800	-18.0	594	612	3.0	0.43
Tuscola County, MI	112,200	93,700	-16.5	586	642	9.6	0.47
State of Michigan	144,200	122,400	-15.1	723	783	8.3	0.41

Source: U.S. Census Bureau: American Community Survey

Employment Characteristics

Based on the most recent data available from the Bureau of Labor Statistics (i.e., 2016-2019), unemployment rates consistently declined across all geographical areas, with the exception of Tuscola County, which saw a slight increase from 2016 to 2017. In 2016, Tuscola County had the highest rates of unemployment among the related geographical areas at 6.1 percent. By 2019, with the economy well into recovery, the unemployment rate in Tuscola County dropped to 5.1 percent, but was still higher than all other areas. The state of Michigan continued to maintain the lowest unemployment rate, at 4.1 percent in 2019, when compared to all other areas. Trends in unemployment rates indicate continued economic improvement for the assessment area since the previous economic recession. Further, a community representative stated unemployment is steadily declining, and it is believed it will continue to decline. They also stated a major barrier to employers within the area is finding both entry level and skilled employees. Workforce development programs seem to have limited offerings within the area, in addition to the absence of local community colleges or universities in the area. Individuals do not have readily available access to technical certificates or degrees for further development. Therefore, it is expected that the rate of unemployment within the assessment area will continue to exceed the state of Michigan rate overall, largely due to population density of the assessment area.

The table below presents the unemployment rate in the counties which comprise the assessment area and the state of Michigan between 2016 and 2019.

Unemployment Rates (%) 2016 to 2019				
Region	2016	2017	2018	2019
Huron County, MI	5.0	5.1	4.6	4.4
Sanilac County, MI	6.0	5.8	5.1	4.7
Tuscola County, MI	6.1	6.2	5.5	5.1
State of Michigan	4.9	4.6	4.1	4.1

Source: U.S. Bureau of Labor Statistics

Major Employers

The assessment area is home to multiple businesses that employ a substantial portion of the local population. Marlette Regional Hospital is the largest employer in the area with 901 employees; Walbro LLC, a local manufacturer employs approximately 500 employees and Sity Girgis PC, also employs approximately 500 employees. This is indicative of health care and manufacturing industries having a large impact on the employment conditions of the assessment area. Community representatives stated that during the review period, as businesses in the area continued to grow and expand, a challenge they faced was attracting qualified workers.

The table below presents the largest employers in the assessment area.

Largest Employers in the Assessment Area		
Company	Number of Employees	Industry
Marlette Regional Hospital	901	Hospitals
Walbro LLC	500	Manufacturers-Carburetors
Sity Girgis PC	500	Physicians & Surgeons
Huron Casting Inc	420	Manufacturers-Castings
McLaren Cardiac Rehabilitation	400	Rehabilitation Services
Lighthouse Rehabilitation	400	Physical Therapists
Huron Inc	400	Manufacturers-Metal Goods
United Steelworkers	375	Labor Organizations
<i>Source: Business information provided by Infogroup®, Omaha, NE</i>		

Community Representatives

Two community representatives were contacted to provide information about local housing, employment, and other economic conditions within the assessment area. Representatives identified affordable housing and small business lending as the assessment area's greatest needs. Representatives indicated the demand for single-family housing is greater than multi-family, as individuals are looking for space. It was also mentioned that, although limited, available affordable housing is aging and not attractive to individuals. Start-up financing is also in demand for small businesses and opportunity for institutions to tailor programs to the needs of the community would be beneficial. Further, the contacts discussed that during the review period, businesses within the assessment area were finding it difficult to attract new qualified workers and that some industries are still experiencing lingering financial and workforce constraints as a result of the COVID-19 pandemic.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS EASTERN MI, NonMSA

LENDING TEST

The geographic distribution of loans reflects good penetration throughout the assessment area. The distribution of borrowers reflects, given the product lines offered, excellent penetration among

customers of different income levels and businesses of different sizes. The bank makes a relatively high level of community development loans and makes use of innovative and/or flexible lending practices in the communities it serves.

Geographic Distribution of Loans

The bank's lending activities reflect good distribution throughout the assessment area.

Independent Bank originated HMDA-and CRA-reportable loans in 75.0 percent of the 40 census tracts in the Eastern MI NonMSA assessment area in 2019. The bank did penetrate the only moderate-income census tract. In addition, the bank originated loans in 10 of the 11 underserved middle-income census tracts. Overall, this is above the bank's geographic penetration across census tracts in 2018, where the bank originated loans in 57.5 percent of the 40 census tracts. Consistent with 2019 performance, the bank penetrated the lone moderate-income census tract in 2018 and originated loans in nine of the eleven underserved middle-income census tracts. There were no conspicuous gaps in HMDA- and CRA-reportable lending across the bank's assessment area.

A breakdown of the bank's HMDA- and CRA-reportable lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank originated 13.6 percent of its home purchase loans, by number, in the moderate-income census tract. This significantly exceeded both the aggregate lenders, which made 3.3 percent, by number, of home purchase loans in this census tract, and the percentage of owner-occupied units in moderate-income census tracts, at 2.5 percent.

As seen in the 2018 lending table located in Appendix C, home purchase lending was consistent with 2019 lending, where the bank's originations in the moderate-income tract, at 8.0 percent, was above the 3.3 percent by aggregate lenders and the 2.5 percent of owner-occupied units available in that tract.

In 2019, the bank made 86.4 percent of its home purchase loans, by number, in middle-income census tracts, which was below both the percentage by aggregate lenders and the percentage of owner-occupied units within such tracts, at 96.7 percent and 97.5 percent, respectively.

The bank's lending activity in 2018, as it relates to home purchase loans originated in middle-income tracts, was consistent to the outcomes of 2019. More specifically, the bank made 92.0 percent of its 2018 home purchase loans in middle-income census tracts, below both the aggregate lenders at 96.7 percent and the percentage of owner-occupied housing in middle-income census

tracts at 97.5 percent.

The table below presents the 2019 geographic distribution of HMDA-reportable loans in the assessment area. The 2018 geographic distribution table of HMDA-reportable loans can be found in Appendix C.

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2019 Eastern MI Non MSA							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2019			Dollar		
		Count Bank		Agg	Bank	Agg	
		#	%	%	\$ (000s)	\$ %	%
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	6	13.6	3.3	385	7.9	2.2
	Middle	38	86.4	96.7	4,484	92.1	97.8
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		44	100.0	100.0	4,869	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	2.5	0	0.0	1.6
	Middle	26	100.0	97.5	2,794	100.0	98.4
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		26	100.0	100.0	2,794	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	2.1	0	0.0	1.9
	Middle	9	100.0	97.9	1,031	100.0	98.1
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		9	100.0	100.0	1,031	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	8.5
	Middle	0	0.0	100.0	0	0.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	2.5
	Middle	0	0.0	100.0	0	0.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	1.4	0	0.0	1.0
	Middle	0	0.0	98.6	0	0.0	99.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	2.2	0	0.0	2.9
	Middle	0	0.0	97.8	0	0.0	97.1
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	6	7.6	2.7	385	4.4	1.9
	Middle	73	92.4	97.3	8,309	95.6	98.1
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		79	100.0	100.0	8,694	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

CRA-Reportable Lending

Small Business Loans

In 2019, the bank's performance was consistent with the percentage by aggregate lenders and below the percentage of total businesses within moderate-income census tracts. The bank made 2.9 percent of CRA-reportable small business loans, by number, in moderate-income census tracts, consistent with the aggregate of lenders at 2.8 percent, but below the percentage of total businesses in such tracts at 5.7 percent.

The bank's CRA-reportable small business lending in 2018 reflected similar activity in moderate-income census tracts when compared to 2019. The bank's rate (3.7 percent) was below that of aggregate lenders (4.9 percent) and the percentage of total businesses in moderate-income census tracts (5.5 percent).

The bank made 97.1 percent of its small business loans, by number, in middle-income census tracts. This was consistent with both the percentage by aggregate lenders at 95.3 percent, by number, and the percentage of total businesses that are located in these tracts at 94.3 percent.

The bank's CRA-reportable small business lending in 2018 was comparable to 2019 in middle-income census tracts. The bank made 96.3 percent of its small business loans, by number, in middle-income census tracts, which is consistent with both the percentage by aggregate lenders at 93.4 percent and the percentage of total businesses in these census tracts at 94.5 percent.

The table below presents the geographic distribution of CRA-reportable small business loans in the assessment area in 2019. The lending table showing geographic distribution of small business loans in 2018 can be found in Appendix C.

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Eastern MI Non MSA								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count		Dollar				
		Bank	Agg	Bank	Agg	Bank	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	1	2.9	2.8	25	0.4	2.6	5.7
	Middle	33	97.1	95.3	5,875	99.6	96.8	94.3
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			1.9			0.6	
	Total	34	100.0	100.0	5,900	100.0	100.0	100.0
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Lending to Borrowers of Different Income Levels and Lending to Businesses Different Sizes

The bank’s lending activities reflect excellent distribution, particularly in its assessment area, of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

A breakdown of the bank’s HMDA- and CRA-reportable lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank made 15.9 percent of its home purchase loans, by number, to low-income borrowers, which exceeded the percentage by aggregate lenders at 9.5 percent and was comparable to the demographic, at 18.4 percent, of assessment area families of low-income. The bank made 36.4 percent of its home purchase loans, by number, to moderate-income borrowers. This resulted in the bank significantly exceeding the percentage by aggregate lenders at 24.6 percent and the percentage of moderate-income families within the assessment area at 20.4 percent.

As seen in the 2018 table in Appendix C, the bank’s performance of lending to low- and moderate-income borrowers was consistent with its performance in 2019. The bank originated 18.0 percent, by number, of home purchase loans to low-income borrowers. This was above the percentage by aggregate lenders at 11.3 percent and consistent with the percentage of low-income families in the assessment area at 18.3 percent. The bank’s originated 28.0 percent of its home purchase loans to

moderate-income borrowers, which was above the percentage by aggregate lenders at 23.3 percent and the percentage of moderate-income families in the assessment area at 20.4 percent.

In 2019, the bank made 15.9 percent of its home purchase loans, by number, to middle-income borrowers, which was below both the percentage by aggregate of lenders at 23.3 percent and the percentage of middle-income families in the assessment area at 22.4 percent. The bank made 29.5 percent of its home purchase loans to upper-income borrowers, just below the percentage by aggregate lenders at 32.6 percent, by number, and below the percentage of upper-income families in the assessment area at 38.7 percent. The bank made 2.3 percent of its home purchase loans, by number, to borrowers of unknown income, which was below the percentage by aggregate lenders at 10.0 percent.

The bank's home purchase lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 18.0 percent of home purchase loans, by number, to middle-income borrowers. This was below the percentage by aggregate lenders at 22.1 percent, and the percentage of middle-income families in the assessment area at 22.4 percent. Lending to upper-income borrowers, at 36.0 percent, was comparable to both the percentage by aggregate lenders at 33.2 percent, and the percentage of upper-income families in the assessment area at 38.8 percent. The bank did not originate any its home purchase loans, by number, to borrowers of unknown income. The aggregate lenders originated 10.0 percent to borrowers of unknown income.

The table below presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019. The table for borrower distribution of HMDA-reportable loans in 2018 can be found in Appendix C.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Eastern MI Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	7	15.9	9.5	476	9.8	5.4	18.4
	Moderate	16	36.4	24.6	1,450	29.8	18.9	20.4
	Middle	7	15.9	23.3	582	12.0	22.1	22.4
	Upper	13	29.5	32.6	2,225	45.7	44.5	38.7
	Unknown	1	2.3	10.0	136	2.8	9.2	0.0
	Total	44	100.0	100.0	4,869	100.0	100.0	100.0
Refinance	Low	2	7.7	7.5	152	5.4	4.8	18.4
	Moderate	6	23.1	19.4	418	15.0	13.1	20.4
	Middle	5	19.2	23.5	519	18.6	19.7	22.4
	Upper	13	50.0	37.5	1,705	61.0	48.1	38.7
	Unknown	0	0.0	12.1	0	0.0	14.4	0.0
	Total	26	100.0	100.0	2,794	100.0	100.0	100.0
Home Improvement	Low	1	11.1	6.7	25	2.4	4.3	18.4
	Moderate	1	11.1	20.6	50	4.8	15.5	20.4
	Middle	4	44.4	22.7	346	33.6	21.9	22.4
	Upper	2	22.2	45.4	560	54.3	55.8	38.7
	Unknown	1	11.1	4.6	50	4.8	2.5	0.0
	Total	9	100.0	100.0	1,031	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	18.4
	Moderate	0	0.0	0.0	0	0.0	0.0	20.4
	Middle	0	0.0	0.0	0	0.0	0.0	22.4
	Upper	0	0.0	12.5	0	0.0	0.9	38.7
	Unknown	0	0.0	87.5	0	0.0	99.1	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	4.9	0	0.0	2.1	18.4
	Moderate	0	0.0	14.6	0	0.0	12.9	20.4
	Middle	0	0.0	31.7	0	0.0	25.4	22.4
	Upper	0	0.0	46.3	0	0.0	53.8	38.7
	Unknown	0	0.0	2.4	0	0.0	5.9	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	10.3	0	0.0	7.2	18.4
	Moderate	0	0.0	19.2	0	0.0	16.0	20.4
	Middle	0	0.0	26.0	0	0.0	25.1	22.4
	Upper	0	0.0	41.8	0	0.0	49.5	38.7
	Unknown	0	0.0	2.7	0	0.0	2.2	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	18.4
	Moderate	0	0.0	2.2	0	0.0	1.6	20.4
	Middle	0	0.0	2.2	0	0.0	3.5	22.4
	Upper	0	0.0	4.4	0	0.0	3.0	38.7
	Unknown	0	0.0	91.1	0	0.0	91.9	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	10	12.7	8.4	653	7.5	4.9	18.4
	Moderate	23	29.1	21.7	1,918	22.1	15.7	20.4
	Middle	16	20.3	23.2	1,447	16.6	20.3	22.4
	Upper	28	35.4	35.3	4,490	51.6	44.1	38.7
	Unknown	2	2.5	11.4	186	2.1	15.1	0.0
	Total	79	100.0	100.0	8,694	100.0	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

CRA-Reportable Lending

Small Business Loans

In 2019, the bank made 47.1 percent of its small business loans, by number, to businesses reporting annual revenues of \$1.0 million or less, which was comparable to the percentage by aggregate lenders at 44.6 percent. Of these loans, 68.8 percent had a loan amount of \$100,000 or less, which is reflective of loans most responsive to the smallest businesses. Businesses reporting annual revenues of \$1.0 million or less represented 90.2 percent of assessment area businesses.

Competition within the area contributes to the bank's small business lending performance being significantly below the percentage of small businesses within the assessment area, which is further evidenced by the top CRA reporters comprising larger, national banks within the assessment area for both 2018 and 2019. In addition, there is a significant number of businesses reporting annual revenues of \$1.0 million or less within the assessment area, making comparison to the percentage by aggregate lenders more appropriate and weighted heavier in determining the borrower distribution conclusion for CRA-reportable small business loans.

As seen in the 2018 table in Appendix C, the bank's record of lending to businesses of different revenue sizes was above 2019 lending. Of the bank's total business loans, 63.0 percent were originated to businesses with revenues of \$1.0 million or less. This was significantly above the percentage by aggregate lenders (48.3 percent). Of the bank's total small business loans made to businesses with revenues of \$1.0 million or less, 88.2 percent were loan amounts of \$100,000 or less. The bank's performance was below the percent of businesses reporting annual revenues of \$1.0 million or less within the assessment area at 89.7 percent.

The table below presents the borrower distribution of small business loans in the assessment area in 2019. The borrower distribution table for small business loans in 2018 can be found in Appendix C.

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2019 Eastern MI Non MSA								
Product Type		Bank & Aggregate Lending Comparison						
		Count		2019				Total Businesses %
		Bank #	%	Agg %	Dollar		Agg \$ %	
Bank \$ 000s	\$ %							
Revenue	\$1 Million or Less	16	47.1	44.6	2,516	42.6	30.7	90.2
	Over \$1 Million or Unknown	18	52.9	55.4	3,384	57.4	69.3	9.8
Total		34	100.0	100.0	5,900	100.0	100.0	100.0
Loan Size	\$100,000 or Less	18	52.9	94.2	797	13.5	36.4	
	\$100,001 - \$250,000	12	35.3	3.2	2,061	34.9	16.9	
	\$250,001 - \$1 Million	4	11.8	2.6	3,042	51.6	46.7	
	Total	34	100.0	100.0	5,900	100.0	100.0	
Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	11	68.8		472	18.8		
	\$100,001 - \$250,000	3	18.8		479	19.0		
	\$250,001 - \$1 Million	2	12.5		1,565	62.2		
	Total	16	100.0		2,516	100.0		

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Community Development Lending

The bank makes a relatively high level community development loans. During the evaluation period, the bank extended three loans for \$4.6 million; this represents a 39.9 percent decrease in the dollar amount of loans compared to the prior evaluation period, when the bank extended three loans in the amount of \$7.6 million. All three loans were new originations. Community development loans focused on the community development purposes of community services and economic development as displayed in the table below. These loans provided essential medical services to LMI individuals, and also created jobs for LMI individuals residing within the assessment area.

Community Development Loans										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Eastern NonMSA	0	0	2	3,350	1	1,209	0	0	3	4,559

INVESTMENT TEST

The bank made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position. During the review period, the bank made approximately \$493,000 in new investments. The bank

did not maintain any prior period investments in the assessment area. Total investment activity was below the bank’s performance at the previous evaluation. During that time, Independent Bank made \$2.7 million in total investments.

The bank’s donations totaled \$18,275 within the delineated assessment area. This is an increase from the previous evaluation during which time donations totaled \$14,472 in the assessment area. Donations were all for community service organizations offering pandemic recovery services, providing food to low-income residents, and assistance to low-income and at-risk children.

Community Development Investments										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Eastern NonMSA	1	471	1	22	0	0	0	0	2	493

Community Development Contributions										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Full Scope Review										
Eastern NonMSA	0	0	38	18,275	0	0	0	0	38	18,275

SERVICE TEST

Delivery systems are accessible to the bank’s geographies and individuals of different income levels in the assessment area. The bank’s record of opening and closing branches has generally not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and individuals. Services do not vary in a way that inconveniences the bank’s assessment area, particularly to LMI geographies and individuals. Independent Bank is a leader in providing community development services to the assessment area.

Retail Services

The bank’s retail delivery services are accessible to geographies and individuals of different income levels in its assessment area. The bank maintains one of their six branches in the assessment area in the moderate-income census tract. Further, two branches, each with a full-service ATM, and a standalone full-service ATM are located in underserved middle-income census tracts. To the extent changes have been made, its record of opening and closing branches has generally not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals. Since the previous evaluation, the bank has closed one branch in the assessment area (underserved middle-income

census tract); however, a full-service ATM remained at this location.

Services do not vary in a way that inconveniences its assessment area, particularly low- or moderate-income geographies or low- or moderate-income individuals. The bank offers a standard range of products and services at all locations. Bank employees are available to meet with individuals as necessary, and the bank's ATM, telephone, mobile, and internet banking options expand the availability of services beyond the branch's regular operating hours, which typically range from 9:00 a.m. to 5:00p.m. Monday through Thursday, 9:00a.m. to 6:00 p.m. Friday, and 9:00 a.m. to 12:00 p.m. on Saturday.

Community Development Services

The bank is a leader in providing community development services to its assessment area.

The bank contributed 534 hours of service to the Eastern MI NonMSA. This is a 20.8 percent increase in hours contributed since the previous evaluation, during which time the bank contributed 442 hours of service to its community. Although the bank faced challenges as a result of the COVID-19 pandemic that started in 2020 which limited opportunities for the bank to provide many of the services that would have previously provided in an in-person environment, they remained responsive to the assessment area, providing essential services virtually.

The vast majority of hours served, 511, were designated as community services. Bank employees served on nonprofit boards of directors, donating their time and technical knowledge to these local organizations. Additionally, the bank's community development services went to serving the purposes of affordable housing organizations, economic development, and revitalize/stabilization.

The table below displays community development services in the assessment area during the review period.

Community Development Services										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Full Scope Review										
Eastern NonMSA	1	8	29	511	1	3	1	12	32	534

NORTHWEST, MI NonMSA - Full Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NORTHWEST MI NonMSA

The Northwest MI NonMSA is comprised of two contiguous counties, Grand Traverse and Leelanau in their entireties. As noted earlier, this assessment area is new to the bank since the previous evaluation due to the acquisition of Grand Traverse State Bank just prior to the previous evaluation.

The assessment area is comprised of 24 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, one census tract is designated moderate-income, eight census tracts are considered middle-income, and 13 upper-income census tracts located in the assessment area. There are no low-income census tracts located in the assessment area. In addition, there are two census tracts in the assessment area with an unknown income. The assessment area does not include any distressed or underserved middle-income geographies.

The bank operates four branches, four full-service ATMs, and one cash-only ATM within the assessment area. Since during the evaluation period, the bank has closed one branch, located in an upper-income census tract; however, a full-service ATM remained at the location. The bank does not operate any branches or ATMs in the assessment area's moderate-income census tracts.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	0.0	0.0	0.0
Moderate	0	0.0	0	0.0	4.2	5.6	9.7
Middle	3	75.0	3	60.0	33.3	38.1	45.8
Upper	1	25.0	2	40.0	54.2	56.3	44.5
Unknown	0	0.0	0	0.0	8.3	0.0	0.0
Total	4	100.0	5	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank fifth among 12 FDIC-insured institutions operating in the assessment area. The bank holds a 7.0 percent market share, compared to the market leader Fifth Third Bank, N.A., which holds 25.8 percent of the assessment area's deposits.

Independent Bank ranks fourth out of 264 aggregate lenders in 2019 HMDA-reportable transactions. A total of 303 originations and purchase transactions were reported by the bank compared to 546 reported by market leader The Huntington National Bank. The 2019 CRA Market

Peer Report ranks the bank fifth out of 64 reporters. The bank originated or purchased 217 CRA-reportable loans in 2019; whereas, the first ranked institution, JPMorgan Chase Bank N.A., originated or purchased 890 loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the market with large national lenders, especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Northwest MI Non MSA									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	3,688	12.7	
Moderate-income	1	4.2	1,615	5.6	341	21.1	4,042	13.9	
Middle-income	8	33.3	11,064	38.1	841	7.6	6,176	21.3	
Upper-income	13	54.2	16,337	56.3	728	4.5	15,110	52.1	
Unknown-income	2	8.3	0	0.0	0	0.0	0	0.0	
Total Assessment Area	24	100.0	29,016	100.0	1,910	6.6	29,016	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied			Rental		Vacant		
		#	%	%	#	%	#	%	
Low-income	0	0	0.0	0.0	0	0.0	0	0.0	
Moderate-income	3,951	1,506	4.4	38.1	2,106	53.3	339	8.6	
Middle-income	20,809	13,102	37.9	63.0	3,642	17.5	4,065	19.5	
Upper-income	32,507	19,978	57.8	61.5	3,982	12.2	8,547	26.3	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
Total Assessment Area	57,267	34,586	100.0	60.4	9,730	17.0	12,951	22.6	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	760	9.7	657	9.2	99	15.2	4	5.8	
Middle-income	3,592	45.8	3,206	45.0	353	54.1	33	47.8	
Upper-income	3,490	44.5	3,257	45.7	201	30.8	32	46.4	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	7,842	100.0	7,120	100.0	653	100.0	69	100.0	
	Percentage of Total Businesses:			90.8		8.3		0.9	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported		
#		%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0	
Middle-income	125	41.7	124	42.2	1	16.7	0	0.0	
Upper-income	175	58.3	170	57.8	5	83.3	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	300	100.0	294	100.0	6	100.0	0	0.0	
Percentage of Total Farms:			98.0		2.0		0.0		
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS									
Note: Percentages may not add to 100.0 percent due to rounding									

Population Characteristics

Population change between 2010 and 2015 was stable across the counties which comprise the bank’s assessment area, and the state of Michigan. Grand Traverse County had the highest percentage of growth, 3.4 percent, while Leelanau County experienced a slight 0.3 percent growth in population. A community representative noted that recently, as a result of remote work, relocation has supported the population growth. The small communities along the lake have experienced an influx of residents, who can work remotely and relocated to the northern Michigan for quality of life.

The table below presents population change in the MSA, the counties which comprise the bank’s assessment area, and the states to which the counties belong between 2010 and 2015.

Population Change 2010 and 2011-2015			
Area	2010 Population	2011-2015 Population	Percentage Change (%)
Grand Traverse County, MI	86,986	89,907	3.4
Leelanau County, MI	21,708	21,772	0.3
State of Michigan	9,883,640	9,900,571	0.2
<i>Source: 2010 – U.S. Census Bureau: Decennial Census 2011-2015 – U.S. Census Bureau: Decennial Census: American Community Survey</i>			

Income Characteristics

Overall, median family income grew across the counties comprising the assessment area and the state of Michigan between 2010 and 2015. While all experienced growth, Grand Traverse and Leelanau Counties, at 7.7 and 4.5 percent, grew at rates greater than the state of Michigan at 3.2 percent. Although Grand Traverse County had the greatest percentage of growth, Leelanau County, during the 2011-2015 ACS time period, had the highest median family income compared to all other areas assessed; this is consistent with 2006-2010, where Leelanau County also maintained the highest median family income. According to a community representative, median income has remained stable in recent years. Wages have become competitive as employers struggle to find qualified workers.

There are a total of 29,016 families in the assessment area, of which 12.7 percent are designated as low-income families and 13.9 percent are designated as moderate-income families, both of which are below the percentage of LMI families in the state of Michigan. The percentage of families living in the assessment area that have incomes below the poverty level is 6.6 percent, which is also below the 11.9 percent poverty rate for the state of Michigan.

The table below presents median family change in the counties in the assessment area, and the state of Michigan between 2010 and 2015.

Median Family Income Change 2006-2010 and 2011-2015			
Area	2006-2010 Median Family Income (\$)	2011-2015 Median Family Income (\$)	Percentage Change (%)
Grand Traverse County, MI	61,780	66,519	7.7
Leelanau County, MI	65,342	68,290	4.5
State of Michigan	60,341	62,247	3.2
<i>Source: 2006-2010 – U.S. Census Bureau: American Community Survey 2011-2015 – U.S. Census Bureau: American Community Survey</i>			

According to data from the Administrative Office of the U.S. Courts, personal bankruptcy filing rates have remained stable from 2016 through 2019. Both Grand Traverse County and Leelanau County maintained a bankruptcy filing ratio (per 1,000 population) below 2.0 from 2016 to 2019. In comparison, the state of Michigan maintained a bankruptcy filing ratio (per 1,000 population) of 3.0.

Housing Characteristics

According to 2019 FFIEC Census data, there are a total of 57,267 housing units in the assessment area. The majority of housing units are owner-occupied at 60.4 percent, while 17.0 percent are rental units. In addition, 22.6 percent of housing units are vacant in the assessment area; however, only 8.6 percent of the vacant housing units are located in the moderate-income census tract. In addition, within the moderate-income tract, owner-occupied units comprise only 38.1 percent of housing units, while rental units make up the vast majority of units, at 53.3 percent. The lower percentage of owner-occupied housing in the moderate-income census tracts indicates significantly fewer lending opportunities in those areas.

Based on 2006-2010 and 2011-2015 ACS data, housing costs in Leelanau County, continue to be higher than Grand Traverse County. More specifically, during the 2011-2015 ACS period, Leelanau County had the highest housing costs and was the only county with growth in median housing value. While Grand Traverse County continued to have the lowest housing costs when compared to other areas, with a median housing value of \$167,900, median gross rent of \$859 during the 2011-2015 ACS time period, it exceeded all other areas.

A common method to compare relative affordability of housing across geographic areas is the affordability ratio, which is defined in Appendix E. An area with a higher ratio generally has more affordable housing than an area with a lower ratio. Based on a review of housing affordability ratios, housing in Grand Traverse County is more affordable when compared to Leelanau County. During the 2011-2015 ACS time period, the affordability ratios within Grand Traverse County and Leelanau County were both below the state of Michigan. As detailed in the table below, housing affordability across all geographies never decreased, only experiencing increases in ratios, or maintaining the same ratios from the 2006-2010 to 2011-2015 ACS time periods.

Please review the table below for more detail on trends in housing costs across the noted areas.

Trends in Housing Costs							
Location	2006-2010 Median Housing Value (\$)	2011-2015 Median Housing Value (\$)	Percent Change (%)	2006-2010 Median Gross Rent (\$)	2011-2015 Median Gross Rent (\$)	Percent Change (%)	2011-2015 Affordability Ratio
Grand Traverse County, MI	174,300	167,900	-3.7	793	859	8.3	0.32
Leelanau County, MI	241,200	241,900	0.3	762	805	5.6	0.23
State of Michigan	144,200	122,400	-15.1	723	783	8.3	0.41

Source: U.S. Census Bureau: American Community Survey

Employment Characteristics

Based on the most recent data available from the Bureau of Labor Statistics (i.e., 2016-2019), unemployment rates experienced consistent declines across all geographical areas. In 2016, Leelanau County had the highest rate of unemployment among the related geographical areas at 4.7 percent. By 2019, with the economy well into recovery, unemployment rates had dropped to 3.7 percent, but was still higher than Grand Traverse County. The state of Michigan continued to maintain the highest unemployment rate, at 4.1 percent in 2019, when compared to the individual counties in the assessment area. Although trends in unemployment rates indicate continued economic improvement for the assessment area since the previous economic recession, a community representative indicated employers are struggling to find workers, especially skilled workers during this current time-frame due to the pandemic. People are choosing to stay on unemployment benefits rather than return to work.

The table below presents the unemployment rate in the counties which comprise the assessment area and the state of Michigan between 2016 and 2019.

Unemployment Rates (%) 2016 to 2019				
Region	2016	2017	2018	2019
Grand Traverse County, MI	4.1	4.2	3.7	3.4
Leelanau County, MI	4.7	4.7	4.2	3.7
State of Michigan	4.9	4.9	4.1	4.1

Source: U.S. Bureau of Labor Statistics

Major Employers

The assessment area is home to several large businesses that employ a substantial portion of the local population. Munson Medical Center is the largest employer in the area with 15,881 employees. The health care, resorts and casinos, and manufacturing industries have a large impact on the employment conditions of the assessment area. Community representatives stated that

during the review period, as businesses in the area continued to grow and expand, a challenge they faced was attracting qualified workers.

The table below presents the largest employers in the assessment area.

Largest Employers in the Assessment Area		
Company	Number of Employees	Industry
Munson Medical Center	15,881	Hospitals-Medical Services
Meijer	1,300	Grocers-Retail
Turtle Creek Casino & Hotel	1,100	Casinos
Grand Traverse Resort & Spa	900	Resorts
Cherry Growers Inc	750	Manufacturers – Frozen Foods
Sara Lee Frozen Bakery	684	Manufactures – Frozen Foods
Meijer Pharmacy	550	Pharmacies
Hagerty Insurance	410	Insurance
Michael Gordon	400	Information Technology Services
Grand Traverse Pavilions	400	Residential Care Homes
<i>Source: Business information provided by Infogroup®, Omaha, NE</i>		

Community Representatives

Two community representatives were contacted to provide information about local housing, employment, and other economic conditions within the assessment area. Representatives identified affordable housing and small business lending as the assessment area’s greatest needs. Representatives indicated that there is a lack of affordable housing, and rentals are sparse also. The Airbnb market has hindered the long-term traditional rental market; winter houses are being utilized only on the weekends. Further, the representatives discussed businesses within the assessment area were finding it difficult to attract new qualified workers. Individuals were hesitant to return to work when they can make more while receiving unemployment benefits than traditional wages. Representatives did note that financial institutions within the community have been active and responsive to credit needs as a result of the COVID-19 pandemic.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS NORTHWEST, MI NonMSA

LENDING TEST

The geographic distribution of loans reflects good penetration throughout the assessment area. The distribution of borrowers reflects, given the product lines offered, good penetration among customers of different income levels and businesses of different sizes. The bank is a leader in making community development loans and makes use of innovative and/or flexible lending practices in the communities it serves.

Geographic Distribution of Loans

The bank's lending activities reflect good distribution throughout the assessment area.

Independent Bank originated HMDA- and CRA-reportable loans in 91.7 percent of the 24 census tracts in the Northwest MI NonMSA assessment area in 2019. The bank did not penetrate the only moderate-income census tract. This is consistent with the bank's geographic penetration across census tracts in 2018, where the bank also originated loans in 91.7 percent of the 24 census tracts, which included the one moderate-income census tract in the assessment area. While there were no conspicuous gaps in HMDA-reportable lending across the bank's assessment area, opportunities to lend were limited. The high percentage of rental units (53.3 percent) and vacant units (8.6 percent) in the moderate-income tract limits the stock of owner-occupied units and the opportunity for the bank to lend.

A breakdown of the bank's HMDA- and CRA-reportable lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

Home Purchase Loans

The bank made 1.4 percent, by number, of its home purchase loans in the moderate-income census tract in 2019, which is below both the aggregate of lenders, at 3.5 percent and the percentage of owner-occupied units within such tracts, at 4.4 percent.

As seen in the 2018 lending table located in Appendix C, home purchase lending was better than the 2019 lending, where the bank's originations in the moderate-income tract, at 4.8 percent, was above the 3.9 percent by aggregate lenders and comparable to the 4.4 percent of owner-occupied units available in those tracts.

In 2019, the bank made 36.0 percent of its home purchase loans, by number, in middle-income census tracts, which was consistent to the percentage by aggregate lenders and the percentage of owner-occupied units within such tracts, both at 37.9 percent. As it relates to upper-income census tracts, the bank made 62.6 percent, by number, of its home purchase loans in such tracts, which slightly exceeded both the percentage by aggregate lenders (58.3 percent) and the percentage of owner-occupied units within these tracts (57.8 percent).

The bank's lending activity in 2018, as it relates to home purchase loans originated in middle- and upper-income census tracts was comparable to the outcomes to that of 2019. More specifically, the bank made 34.9 percent of its 2018 home purchase loans in middle-income census tracts, which was below both the aggregate lenders at 42.1 percent, but was comparable to the percentage of owner-occupied housing in middle-income census tracts at 37.9 percent. Within upper-income census tracts, performance was also consistent with 2019. The bank made 60.3 percent of its 2018

home purchase loans, which exceeded the percentage by aggregate lenders at 53.9 percent and was consistent with the percentage of owner-occupied housing in upper-income census tracts at 57.8 percent.

Refinance Loans

In 2019, the bank made 4.1 percent of its refinance loans in moderate-income census tracts, which was above the percentage of loans made by aggregate lenders at 2.0 percent, and comparable to the percentage of owner-occupied units in these tracts at 4.4 percent.

Refinance lending performance in the moderate-income census tract in 2018 was below that of 2019. To summarize, the bank did not make any of its refinance loans, by number, in moderate-income census tracts. The was below performance of aggregate lenders at 2.1 percent and the percentage of owner-occupied units in moderate-income census tracts at 4.4 percent.

The bank made 32.7 percent of its refinance loans, by number, in middle-income census tracts in 2019. This was consistent with the performance of the aggregate of lenders which made 34.3 percent of such loans, but was below the percentage of owner-occupied units at 37.9 percent. The bank's 63.3 percent of refinance loans in the upper-income census tracts was comparable to the percentage by aggregate lenders (63.7 percent) and above the percentage of owner-occupied units (57.8 percent) within upper-income census tracts.

Refinance lending in middle- and upper-income census tracts in 2018 reflected similar outcomes to 2019. The bank made 39.0 percent of its refinance loans in middle-income census tracts, which was above the aggregate lenders, which made 34.9 percent, and comparable to the percentage of owner-occupied housing in middle-income census tracts at 37.9 percent. The bank's 61.0 percent of refinance loans was consistent with the percentage of aggregate lenders at 63.0 percent and exceeded the percentage of owner-occupied housing in upper-income census tracts at 57.8 percent.

The table below presents the 2019 geographic distribution of HMDA-reportable loans in the assessment area. The 2018 geographic distribution table of HMDA-reportable loans can be found in Appendix C.

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2019 Northwest MI Non MSA							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2019			Dollar		
		Count Bank		Agg	Bank	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	2	1.4	3.5	350	1.0	1.8
	Middle	50	36.0	37.9	11,181	31.3	32.7
	Upper	87	62.6	58.3	24,161	67.7	65.1
	Unknown	0	0.0	0.3	0	0.0	0.4
	Total		139	100.0	100.0	35,692	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	4	4.1	2.0	511	2.1	1.2
	Middle	32	32.7	34.3	6,233	26.1	29.1
	Upper	62	63.3	63.7	17,106	71.7	69.6
	Unknown	0	0.0	0.1	0	0.0	0.1
	Total		98	100.0	100.0	23,850	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	2.1	0	0.0	1.8
	Middle	9	27.3	30.6	684	17.5	26.0
	Upper	24	72.7	67.0	3,227	82.5	71.9
	Unknown	0	0.0	0.3	0	0.0	0.3
	Total		33	100.0	100.0	3,911	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	1	100.0	33.3	252	100.0	7.0
	Upper	0	0.0	66.7	0	0.0	93.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		1	100.0	100.0	252	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	2.7	0	0.0	2.1
	Middle	0	0.0	34.1	0	0.0	27.7
	Upper	0	0.0	63.3	0	0.0	70.2
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	2.1	0	0.0	1.0
	Middle	0	0.0	35.8	0	0.0	22.4
	Upper	0	0.0	61.1	0	0.0	76.4
	Unknown	0	0.0	1.1	0	0.0	0.2
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	5.4	0	0.0	4.8
	Middle	0	0.0	37.8	0	0.0	31.9
	Upper	0	0.0	56.8	0	0.0	63.3
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	6	2.2	2.7	861	1.4	1.6
	Middle	92	33.9	35.6	18,350	28.8	30.5
	Upper	173	63.8	61.5	44,494	69.8	67.7
	Unknown	0	0.0	0.2	0	0.0	0.3
	Total		271	100.0	100.0	63,705	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

CRA-Reportable Lending

Small Business Loans

In 2019, the bank's performance was slightly above both the percentage by aggregate lenders and the percentage of total businesses within moderate-income census tracts. The bank made 12.4 percent of CRA-reportable small business loans, by number, in moderate-income census tracts, compared to the aggregate of lenders, at 10.1 percent, and the percentage of total businesses in such tracts at 9.7 percent.

The bank's CRA-reportable small business lending in 2018 significantly exceeded performance in moderate-income census tracts when compared to 2019. The bank's 20.9 percent was above that of aggregate lenders (10.3 percent) and the percentage of total businesses in moderate-income census tracts (9.3 percent).

The bank made 51.2 percent of its small business loans, by number, in middle-income census tracts. This exceeded the percentage by aggregate lenders and the percent of total businesses that are located in these tracts, both at 45.8 percent. The bank made 36.4 percent of its small business loans, by number, in upper-income census tracts, which was below both the percentage by aggregate lenders, at 41.6 percent, and the percent of total businesses in these census tracts, at 44.5 percent.

The bank's CRA-reportable small business lending in 2018 was comparable to 2019 in middle- and upper-income census tracts. The bank made 43.5 percent of its small business loans, by number, in middle-income census tracts, which is consistent to both the percentage by aggregate lenders at 44.5 percent and the percentage of total businesses in these census tracts at 45.3 percent. Small business lending in upper-income census tracts, at 35.6 percent by number, was below both the percentage by aggregate lenders at 43.1 percent and the percentage of small businesses located in upper-income census tracts at 45.3 percent.

The table below presents the geographic distribution of CRA-reportable small business loans in the assessment area in 2019. The lending table showing geographic distribution of small business loans in 2018 can be found in Appendix C.

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Northwest MI Non MSA								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count		Dollar				
		Bank	Agg	Bank	Agg	Bank	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	27	12.4	10.1	4,637	11.9	12.2	9.7
	Middle	111	51.2	45.8	22,782	58.3	52.0	45.8
	Upper	79	36.4	41.6	11,684	29.9	35.0	44.5
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			2.5			0.8	
	Total	217	100.0	100.0	39,103	100.0	100.0	100.0

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Lending to Borrowers of Different Income Levels and Lending to Businesses of Different Sizes

The bank’s lending activities reflect good distribution, particularly in its assessment area, of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

A breakdown of the bank’s HMDA- and CRA-reportable lending is discussed in more detail below by individual products.

HMDA-Reportable Lending

Home Purchase Loans

In 2019, the bank made 1.4 percent of its home purchase loans, by number, to low-income borrowers. The bank’s performance was comparable to the percentage by aggregate lenders at 1.9 percent, but significantly below the 12.7 percent low-income families in the assessment area. The bank made 12.2 percent of its home purchase loans, by number, to moderate-income borrowers, which was consistent with the percentage by aggregate lenders at 10.2 percent and to the percentage of moderate-income families within the assessment area at 13.9 percent.

As seen in the 2018 table in Appendix C, the bank’s performance of lending to low- and moderate-income borrowers was consistent with its performance in 2019. The bank originated 1.4 percent, by number, of home purchase loans to low-income borrowers, which was comparable to the percentage by aggregate lenders at 1.8 percent, but significantly below the percentage of low-income families in the assessment area at 12.7 percent. The bank’s originated 13.0 percent of its home purchase loans to moderate-income borrowers, which was consistent with both the

percentage by aggregate lenders at 12.5 percent and the percentage of moderate-income families in the assessment area at 13.9 percent.

In 2019, the bank made 17.3 percent of its home purchase loans, by number, to middle-income borrowers, which was just below the percentage by aggregate of lenders at 20.5 percent and below the percentage of middle-income families in the assessment area at 21.3 percent. The bank made 63.3 percent of its home purchase loans to upper-income borrowers, consistent with the percentage by aggregate lenders at 61.0 percent, by number, but exceeding the percentage of upper-income families in the assessment area at 52.1 percent. The bank made 5.8 percent of its home purchase loans, by number, to borrowers of unknown income, which was comparable with the percentage by aggregate lenders at 6.4 percent.

The bank's home purchase lending to middle-income borrowers in 2018, was below performance in 2019, while the bank's lending to upper-income borrowers exceeded the 2019 lending. The bank originated 11.6 percent of home purchase loans, by number, to middle-income borrowers. This was below the percentage by aggregate lenders at 22.1 percent, and the percentage of middle-income families in the assessment area at 21.3 percent. Lending to upper-income borrowers, at 74.0 percent, was significantly above both the percentage by aggregate lenders at 55.1 percent, and the percentage of upper-income families in the assessment area at 52.2 percent. The bank did not originate any of its home purchase loans to borrowers of unknown income, which was below the aggregate lenders, which originated 8.5 percent to borrowers of unknown income.

Refinance Loans

In 2019, the bank made 1.0 percent of its refinance loans, by number, to low-income borrowers, which was comparable to the percentage by aggregate lenders at 1.9 percent. However, both the bank and aggregate were significantly below the percentage of low-income families within the assessment area at 12.7 percent. The bank made 6.1 percent of its refinance loans, by number, to moderate-income borrowers, which was below to both the percentage by aggregate lenders (10.8 percent) and the percentage of moderate-income families in the assessment area (13.9 percent).

The bank's lending performance to low- and moderate-income borrowers was consistent with the performance exhibited in 2019. The bank did not originate any refinance loans to low-income borrowers in 2018, performing slightly below the percentage by aggregate lenders (4.8 percent), but significantly below the percentage of low-income families (12.7 percent) within the assessment area. The bank's 2018 refinance lending to moderate-income borrowers, at 17.1 percent was consistent with the percentage by aggregate lenders (15.0 percent), but exceeded the percentage of moderate-income families (13.9 percent) within the assessment area.

In 2019, the bank made 19.4 percent of its refinance loans, by number, to middle-income borrowers, which was consistent with both the percentage by aggregate lenders at 19.6 percent and the percentage of middle-income families at 21.3 percent. The bank made 68.4 percent of its refinance loans, by number, to upper-income borrowers, which significantly exceeded both the

percentage by aggregate lenders (53.4 percent) and the percentage of upper-income families within the assessment area (52.1 percent). The bank made 5.1 percent of its refinance loans, by number, to borrowers of unknown income, which was below the percentage by aggregate of lenders at 12.8 percent.

The bank's refinance lending to middle-, upper-, and unknown-income borrowers was similar in 2018. The bank originated 14.6 percent of its refinance loans to middle-income borrowers, which was below both the percentage by aggregate lenders at 21.1 percent and the percentage of middle-income families in the assessment area at 21.3 percent. Lending to upper-income borrowers, at 68.3 percent, by number, also significantly exceeded the percentage by aggregate lenders at 51.9 percent and the percentage of upper-income families in the assessment area at 52.2 percent. The bank did not originate any refinance loans to unknown-income borrowers in 2018, falling below the percentage by aggregate of lenders at 7.2 percent.

The table below presents the borrower distribution of HMDA-reportable loans in the assessment area in 2019. The table for borrower distribution of HMDA-reportable loans in 2018 can be found in Appendix C.

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Northwest MI Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		Count		Agg	Dollar			
		#	%		Bank	Agg		
		Bank	%	Bank	%	Agg	%	
		#	%	Bank	%	Agg	%	
Home Purchase	Low	2	1.4	1.9	282	0.8	0.8	12.7
	Moderate	17	12.2	10.2	2,439	6.8	5.6	13.9
	Middle	24	17.3	20.5	5,237	14.7	14.6	21.3
	Upper	88	63.3	61.0	25,479	71.4	72.1	52.1
	Unknown	8	5.8	6.4	2,255	6.3	7.0	0.0
	Total	139	100.0	100.0	35,692	100.0	100.0	100.0
Refinance	Low	1	1.0	3.4	193	0.8	1.6	12.7
	Moderate	6	6.1	10.8	654	2.7	6.2	13.9
	Middle	19	19.4	19.6	2,684	11.3	14.2	21.3
	Upper	67	68.4	53.4	19,393	81.3	66.5	52.1
	Unknown	5	5.1	12.8	926	3.9	11.5	0.0
	Total	98	100.0	100.0	23,850	100.0	100.0	100.0
Home Improvement	Low	0	0.0	3.1	0	0.0	2.1	12.7
	Moderate	3	9.1	9.2	170	4.3	5.3	13.9
	Middle	5	15.2	21.2	245	6.3	16.3	21.3
	Upper	22	66.7	64.4	3,069	78.5	74.2	52.1
	Unknown	3	9.1	2.1	427	10.9	2.1	0.0
	Total	33	100.0	100.0	3,911	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	12.7
	Moderate	0	0.0	0.0	0	0.0	0.0	13.9
	Middle	0	0.0	0.0	0	0.0	0.0	21.3
	Upper	0	0.0	0.0	0	0.0	0.0	52.1
	Unknown	1	100.0	100.0	252	100.0	100.0	0.0
	Total	1	100.0	100.0	252	100.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	3.0	0	0.0	1.2	12.7
	Moderate	0	0.0	14.0	0	0.0	8.4	13.9
	Middle	0	0.0	20.1	0	0.0	12.7	21.3
	Upper	0	0.0	60.6	0	0.0	75.3	52.1
	Unknown	0	0.0	2.3	0	0.0	2.4	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	5.3	0	0.0	2.6	12.7
	Moderate	0	0.0	15.8	0	0.0	9.8	13.9
	Middle	0	0.0	20.0	0	0.0	14.1	21.3
	Upper	0	0.0	56.8	0	0.0	62.3	52.1
	Unknown	0	0.0	2.1	0	0.0	11.3	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	12.7
	Moderate	0	0.0	8.1	0	0.0	11.8	13.9
	Middle	0	0.0	0.0	0	0.0	0.0	21.3
	Upper	0	0.0	2.7	0	0.0	2.3	52.1
	Unknown	0	0.0	89.2	0	0.0	85.9	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	3	1.1	2.7	475	0.7	1.2	12.7
	Moderate	26	9.6	10.7	3,263	5.1	6.0	13.9
	Middle	48	17.7	20.0	8,166	12.8	14.2	21.3
	Upper	177	65.3	57.5	47,941	75.3	68.8	52.1
	Unknown	17	6.3	9.1	3,860	6.1	9.9	0.0
	Total	271	100.0	100.0	63,705	100.0	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

CRA-Reportable Lending

Small Business Loans

In 2019, the bank made 56.7 percent of its small business loans, by number, to businesses reporting annual revenues of \$1.0 million or less, which exceeded the percentage by aggregate lenders at 50.7 percent. Of these loans, 58.5 percent had a loan amount of \$100,000 or less, which is reflective of loans most responsive to the smallest businesses. Businesses reporting annual revenues of \$1.0 million or less represented 90.8 percent of assessment area businesses. Area competition may contribute to the bank's small business lending performance being significantly below the percentage of small businesses within the assessment area, which is further evidenced by the top CRA reporters comprising larger, national banks within the assessment area for both 2018 and 2019. In addition, there is a significant number of businesses reporting annual revenues of \$1.0 million or less within the assessment area, making comparison to the percentage by aggregate lenders more appropriate and weighted heavier in determining the borrower distribution conclusion for CRA-reportable small business loans.

As seen in the 2018 table in Appendix C, the bank's record of lending to businesses of different revenue sizes was consistent with 2019 lending. Of the bank's total business loans, 57.1 percent were originated to businesses with revenues of \$1.0 million or less. This was above the percentage by aggregate lenders (46.4 percent). However, of the bank's total small business loans made to businesses with revenues of \$1.0 million or less, 61.4 percent were loan amounts of \$100,000 or less. The bank's performance was below the percent of businesses reporting annual revenues of \$1.0 million or less within the assessment area at 90.4 percent.

The table below presents the borrower distribution of small business loans in the assessment area in 2019. The borrower distribution table for small business loans in 2018 can be found in Appendix C.

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2019 Northwest MI Non MSA								
Product Type		Bank & Aggregate Lending Comparison						
		Count		2019				Total Businesses %
		Bank #	%	Agg %	Dollar		Agg \$ %	
Bank \$ 000s	\$ %							
Revenue	\$1 Million or Less	123	56.7	50.7	17,036	43.6	36.3	90.8
	Over \$1 Million or Unknown	94	43.3	49.3	22,067	56.4	63.7	9.2
Total		217	100.0	100.0	39,103	100.0	100.0	100.0
Loan Size	\$100,000 or Less	121	55.8	89.5	6,843	17.5	27.3	
	\$100,001 - \$250,000	51	23.5	5.1	8,808	22.5	17.3	
	\$250,001 - \$1 Million	45	20.7	5.4	23,452	60.0	55.4	
	Total	217	100.0	100.0	39,103	100.0	100.0	
Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	72	58.5		3,985	23.4		
	\$100,001 - \$250,000	33	26.8		5,457	32.0		
	\$250,001 - \$1 Million	18	14.6		7,594	44.6		
	Total	123	100.0		17,036	100.0		

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Community Development Lending

The bank is a leader in making community development loans in the assessment area. During the evaluation period, the bank extended 11 loans for \$13.1 million, five of which were new originations. Community development loans focused on the community development purposes of community services, economic development and revitalizing the area, as displayed in the table below. These loans helped to retain jobs for LMI individuals, in addition to providing essential services for LMI individuals.

Community Development Loans										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Northwest NonMSA	0	0	2	406	4	7,373	5	5,286	11	13,065

INVESTMENT TEST

The bank made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position. During the review period, the bank made one new investment for approximately \$250,000 for the purpose of providing affordable housing in the assessment area. The bank did not maintain any

prior period investments in the assessment area. This assessment area was not reviewed at the previous evaluation due to the acquisition just prior to that evaluation.

The bank's donations totaled \$19,300 within the delineated assessment area. Donations were primarily for community service organizations offering pandemic recovery services, providing food to low-income residents, assistance to low-income and at-risk children, and for economic development purposes.

Community Development Investments										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Full Scope Review										
Northwest NonMSA	1	250	0	0	0	0	0	0	1	250

Community Development Contributions										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$
	#	\$	#	\$	#	\$	#	\$		
Full Scope Review										
Northwest NonMSA	4	1,850	18	8,950	6	8,000	1	500	29	19,300

SERVICE TEST

Delivery systems are accessible to the bank's geographies and individuals of different income levels in the assessment area. The bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and individuals. Services do not vary in a way that inconveniences the bank's assessment area, particularly to LMI geographies and individuals. Independent Bank provides an adequate level of community development services to the assessment area.

Retail Services

The bank's retail delivery services are accessible to geographies and individuals of different income levels in its assessment area. The bank does not maintain any branches or ATMs in the one moderate-income census tract located within the bank's assessment area. To the extent changes have been made, its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- or moderate-income geographies or to low- or moderate-income individuals. During the review period of this evaluation, the bank closed one branch in the assessment area (upper-income census tract); however, a full-service ATM remained at this location.

Services do not vary in a way that inconveniences its assessment area(s), particularly low- or moderate-income geographies or low- or moderate-income individuals. The bank offers a standard range of products and services at all locations. Bank employees are available to meet with individuals as necessary, and the bank's ATM, telephone, mobile, and internet banking options expand the availability of services beyond the branch's regular operating hours, which typically range from 9:00 a.m. to 5:00p.m. Monday through Thursday, 9:00a.m. to 6:00 p.m. Friday, and 9:00 a.m. to 12:00 p.m. on Saturday.

Community Development Services

The bank provides an adequate level of community development services in the assessment area.

The bank contributed 185 hours of service to the Northwest MI NonMSA. This assessment area is new since the previous evaluation. The bank was faced with challenges as a result of the COVID-19 pandemic that started in 2020, which provided limited opportunities for the bank to provide many of the services that would have previously provided in an in-person environment. They remained responsive to the assessment area, providing essential services virtually.

Most hours served were designated as community services. Bank employees served on nonprofit boards of directors, donating their time and technical knowledge to these local organizations. Additionally, the bank's community development services went to serving on the boards of organizations with the purposes of affordable housing organizations.

The table below displays community development services in the assessment area during the review period.

Community Development Services August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/ Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Full Scope Review										
Northwest NonMSA	3	36	7	149	0	0	0	0	10	185

BAY CITY, MI MSA #13020 – Limited Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN BAY CITY, MI MSA #13020

The Bay City MSA is comprised of Bay County in its entirety.

The assessment area is comprised of 27 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, one census tract is designated low-income, seven census tracts are moderate-income, 12 census tracts are considered middle-income, and six upper-income census tracts located in the assessment area. In addition, there is one census tract in the assessment area with an unknown income.

The bank operates five branches and five full-service ATMs within the assessment area. Since the previous evaluation, there have been no changes to the assessment area.

The following table details the branch and ATM distribution within the assessment area.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	3.7	1.0	1.9
Moderate	1	20.0	1	20.0	25.9	20.2	27.5
Middle	2	40.0	2	40.0	44.4	49.5	44.4
Upper	2	40.0	2	40.0	22.2	29.4	26.2
Unknown	0	0.0	0	0.0	3.7	0.0	0.0
Total	5	100.0	5	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation’s (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank third among seven FDIC-insured institutions operating in the assessment area. The bank holds a 17.6 percent market share, compared to the market leader TCF National Bank, which holds 36.2 percent of the assessment area’s deposits.

Independent Bank ranks fifth out of 156 aggregate lenders in 2019 HMDA-reportable transactions. A total of 128 originations and purchase transactions were reported by the bank compared to 358 reported by market leader Academy Mortgage Corporation. The 2019 CRA Market Peer Report ranks the bank 10th out of 49 reporters. The bank originated or purchased 29 CRA-reportable loans in 2019; whereas, the first ranked institution, Citibank N.A., originated or purchased 174 loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the market with large national lenders,

especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Bay City, MI MSA 13020								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	3.7	272	1.0	118	43.4	5,437	19.5
Moderate-income	7	25.9	5,623	20.2	1,060	18.9	5,036	18.1
Middle-income	12	44.4	13,793	49.5	1,436	10.4	6,186	22.2
Upper-income	6	22.2	8,181	29.4	355	4.3	11,210	40.2
Unknown-income	1	3.7	0	0.0	0	0.0	0	0.0
Total Assessment Area	27	100.0	27,869	100.0	2,969	10.7	27,869	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	640	220	0.6	34.4	360	56.3	60	9.4
Moderate-income	11,179	6,729	19.9	60.2	3,112	27.8	1,338	12.0
Middle-income	22,625	17,058	50.4	75.4	3,611	16.0	1,956	8.6
Upper-income	13,613	9,859	29.1	72.4	2,616	19.2	1,138	8.4
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	48,057	33,866	100.0	70.5	9,699	20.2	4,492	9.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	68	1.9	59	1.8	9	2.9	0	0.0
Moderate-income	986	27.5	885	27.3	92	29.8	9	23.7
Middle-income	1,591	44.4	1,438	44.4	133	43.0	20	52.6
Upper-income	938	26.2	854	26.4	75	24.3	9	23.7
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	3,583	100.0	3,236	100.0	309	100.0	38	100.0
	Percentage of Total Businesses:			90.3			8.6	1.1
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
#		%	#	%	#	%	#	%
Low-income	1	0.5	1	0.5	0	0.0	0	0.0
Moderate-income	4	1.9	4	1.9	0	0.0	0	0.0
Middle-income	150	70.8	148	70.5	1	100.0	1	100.0
Upper-income	57	26.9	57	27.1	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	212	100.0	210	100.0	1	100.0	1	100.0
Percentage of Total Farms:			99.1			0.5	0.5	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Bay City MSA	Consistent	Consistent	Consistent

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2019 Bay City, MI MSA 13020							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2019			Dollar		
		Count Bank		Agg	Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	0	0.0	1.0	0	0.0	0.5
	Moderate	11	13.1	20.9	993	9.4	15.7
	Middle	40	47.6	47.6	4,385	41.5	46.0
	Upper	33	39.3	30.5	5,197	49.1	37.8
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		84	100.0	100.0	10,575	100.0
Refinance	Low	0	0.0	0.3	0	0.0	0.2
	Moderate	5	21.7	13.4	419	15.9	9.6
	Middle	14	60.9	53.3	1,798	68.2	50.2
	Upper	4	17.4	33.0	421	16.0	40.1
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		23	100.0	100.0	2,638	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	1	9.1	14.3	11	1.8	17.6
	Middle	7	63.6	48.1	438	72.6	40.1
	Upper	3	27.3	37.6	154	25.5	42.3
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		11	100.0	100.0	603	100.0
Multi-Family	Low	1	100.0	14.3	199	100.0	12.0
	Moderate	0	0.0	42.9	0	0.0	26.2
	Middle	0	0.0	28.6	0	0.0	21.0
	Upper	0	0.0	14.3	0	0.0	40.8
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		1	100.0	100.0	199	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	16.0	0	0.0	11.4
	Middle	0	0.0	46.0	0	0.0	42.6
	Upper	0	0.0	38.0	0	0.0	46.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	1.0	0	0.0	0.9
	Moderate	0	0.0	20.6	0	0.0	21.0
	Middle	0	0.0	53.9	0	0.0	52.8
	Upper	0	0.0	24.5	0	0.0	25.3
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	3.1	0	0.0	2.6
	Moderate	0	0.0	33.8	0	0.0	31.0
	Middle	0	0.0	50.8	0	0.0	51.6
	Upper	0	0.0	12.3	0	0.0	14.8
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	1	0.8	0.8	199	1.4	0.5
	Moderate	17	14.3	18.5	1,423	10.2	14.1
	Middle	61	51.3	49.7	6,621	47.2	47.3
	Upper	40	33.6	31.1	5,772	41.2	38.2
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		119	100.0	100.0	14,015	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Bay City, MI MSA 13020								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count			Dollar			
		Bank	Agg	Bank	Agg	Bank	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	1	3.6	0.9	25	0.7	0.8	1.9
	Moderate	7	25.0	27.2	518	15.2	24.8	27.5
	Middle	15	53.6	39.1	1,853	54.4	31.3	44.4
	Upper	5	17.9	31.5	1,008	29.6	42.7	26.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			1.4			0.4	
	Total		28	100.0	100.0	3,404	100.0	100.0
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Bay City, MI MSA 13020								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		2019						
		Count Bank		Agg	Dollar Bank			Agg
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	10	11.9	12.7	628	5.9	6.1	19.5
	Moderate	15	17.9	25.1	1,004	9.5	18.1	18.1
	Middle	18	21.4	23.4	2,113	20.0	22.4	22.2
	Upper	37	44.0	29.6	6,473	61.2	44.5	40.2
	Unknown	4	4.8	9.1	357	3.4	8.9	0.0
	Total		84	100.0	100.0	10,575	100.0	100.0
Refinance	Low	2	8.7	8.4	140	5.3	4.4	19.5
	Moderate	4	17.4	18.7	298	11.3	12.8	18.1
	Middle	4	17.4	24.1	407	15.4	19.0	22.2
	Upper	12	52.2	37.2	1,745	66.1	46.9	40.2
	Unknown	1	4.3	11.6	48	1.8	16.9	0.0
	Total		23	100.0	100.0	2,638	100.0	100.0
Home Improvement	Low	0	0.0	10.5	0	0.0	6.7	19.5
	Moderate	3	27.3	12.8	91	15.1	8.9	18.1
	Middle	2	18.2	23.3	209	34.7	21.9	22.2
	Upper	6	54.5	51.9	303	50.2	61.6	40.2
	Unknown	0	0.0	1.5	0	0.0	1.0	0.0
	Total		11	100.0	100.0	603	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	19.5
	Moderate	0	0.0	0.0	0	0.0	0.0	18.1
	Middle	0	0.0	0.0	0	0.0	0.0	22.2
	Upper	0	0.0	0.0	0	0.0	0.0	40.2
	Unknown	1	100.0	100.0	199	100.0	100.0	0.0
	Total		1	100.0	100.0	199	100.0	100.0
Other Purpose LOC	Low	0	0.0	14.0	0	0.0	8.9	19.5
	Moderate	0	0.0	16.0	0	0.0	16.3	18.1
	Middle	0	0.0	18.0	0	0.0	22.7	22.2
	Upper	0	0.0	50.0	0	0.0	50.5	40.2
	Unknown	0	0.0	2.0	0	0.0	1.6	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	10.8	0	0.0	8.9	19.5
	Moderate	0	0.0	16.7	0	0.0	13.9	18.1
	Middle	0	0.0	29.4	0	0.0	22.5	22.2
	Upper	0	0.0	36.3	0	0.0	48.1	40.2
	Unknown	0	0.0	6.9	0	0.0	6.6	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	19.5
	Moderate	0	0.0	1.5	0	0.0	3.7	18.1
	Middle	0	0.0	0.0	0	0.0	0.0	22.2
	Upper	0	0.0	0.0	0	0.0	0.0	40.2
	Unknown	0	0.0	98.5	0	0.0	96.3	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	12	10.1	10.9	768	5.5	5.5	19.5
	Moderate	22	18.5	21.4	1,393	9.9	15.7	18.1
	Middle	24	20.2	23.2	2,729	19.5	20.8	22.2
	Upper	55	46.2	32.9	8,521	60.8	44.8	40.2
	Unknown	6	5.0	11.6	604	4.3	13.2	0.0
	Total		119	100.0	100.0	14,015	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size										
Assessment Area: 2019 Bay City, MI MSA 13020										
Product Type		Bank & Aggregate Lending Comparison								
		2019								
		Count		Dollar			Total Businesses			
Bank	Agg	Bank	Agg	Agg	%					
#	%	%	\$ 000s	\$ %	\$ %	%				
Small Business	Revenue	\$1 Million or Less	19	67.9	50.1	1,809	53.1	27.0	90.3	
		Over \$1 Million or Unknown	9	32.1	49.9	1,595	46.9	73.0	9.7	
		Total	28	100.0	100.0	3,404	100.0	100.0	100.0	
	Loan Size	\$100,000 or Less	19	67.9	92.1	1,034	30.4	33.6		
		\$100,001 - \$250,000	5	17.9	4.3	939	27.6	19.0		
		\$250,001 - \$1 Million	4	14.3	3.6	1,431	42.0	47.3		
		Total	28	100.0	100.0	3,404	100.0	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	15	78.9		738	40.8			
		\$100,001 - \$250,000	2	10.5		309	17.1			
		\$250,001 - \$1 Million	2	10.5		762	42.1			
Total		19	100.0		1,809	100.0				

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Bay City MSA Community Development Activities										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Loans	0	0	1	164	1	1,014	0	0	2	1,178
Investments	1	99	1	1,135	0	0	0	0	2	1,234
Grants	1	33	45	42	2	10	0	0	48	85
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Services	0	0	16	634	1	2	4	77	21	713

FLINT, MI MSA #22420 – Limited Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN FLINT, MI MSA #22420

The Flint MSA is comprised of Genesee County in its entirety.

The assessment area is comprised of 131 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, 20 census tracts are designated low-income, 28 census tracts are moderate-income, 47 census tracts are considered middle-income, and 34 upper-income census tracts located in the assessment area. In addition, there are two census tracts in the assessment area with unknown income.

The bank operates one branch and one full-service ATM within the assessment area. Since the previous evaluation, there have been no changes to the assessment area.

The following table details the branch and ATM distribution within the assessment area.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	15.3	10.2	9.8
Moderate	0	0.0	0	0.0	21.4	16.5	13.2
Middle	1	100.0	1	100.0	35.9	37.1	43.0
Upper	0	0.0	0	0.0	26.0	36.1	33.7
Unknown	0	0.0	0	0.0	1.5	0.0	0.3
Total	1	100.0	1	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation’s (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank 10th among 10 FDIC-insured institutions operating in the assessment area. The bank holds a 0.6 percent market share, compared to the market leader JPMorgan Chase Bank, which holds 39.1 percent of the assessment area’s deposits.

Independent Bank ranks 40th out of 322 aggregate lenders in 2019 HMDA-reportable transactions. A total of 70 originations and purchase transactions were reported by the bank compared to 1,015 reported by market leader Quicken Loans, LLC. The 2019 CRA Market Peer Report ranks the bank 28th out of 80 reporters. The bank originated or purchased eight CRA-reportable loans in 2019; whereas, the first ranked institution, JPMorgan Chase Bank, originated or purchased 1,497 loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the market with large national lenders,

especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Flint, MI MSA 22420								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	20	15.3	10,926	10.2	5,076	46.5	25,191	23.6
Moderate-income	28	21.4	17,635	16.5	5,354	30.4	16,425	15.4
Middle-income	47	35.9	39,617	37.1	5,147	13.0	21,298	20.0
Upper-income	34	26.0	38,469	36.1	1,978	5.1	43,733	41.0
Unknown-income	2	1.5	0	0.0	0	0.0	0	0.0
Total Assessment Area	131	100.0	106,647	100.0	17,555	16.5	106,647	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	#	%	#	%	
Low-income	25,965	9,778	8.5	37.7	9,208	35.5	6,979	26.9
Moderate-income	40,574	17,059	14.9	42.0	14,236	35.1	9,279	22.9
Middle-income	67,526	44,230	38.5	65.5	16,987	25.2	6,309	9.3
Upper-income	57,113	43,756	38.1	76.6	10,014	17.5	3,343	5.9
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	191,178	114,823	100.0	60.1	50,445	26.4	25,910	13.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	1,386	9.8	1,240	9.5	137	12.3	9	8.8
Moderate-income	1,875	13.2	1,705	13.1	159	14.3	11	10.8
Middle-income	6,113	43.0	5,525	42.5	542	48.8	46	45.1
Upper-income	4,787	33.7	4,497	34.6	255	23.0	35	34.3
Unknown-income	39	0.3	21	0.2	17	1.5	1	1.0
Total Assessment Area	14,200	100.0	12,988	100.0	1,110	100.0	102	100.0
	Percentage of Total Businesses:			91.5		7.8		0.7
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	7	3.3	7	3.4	0	0.0	0	0.0
Moderate-income	6	2.9	6	2.9	0	0.0	0	0.0
Middle-income	83	39.7	83	40.3	0	0.0	0	0.0
Upper-income	113	54.1	110	53.4	3	100.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	209	100.0	206	100.0	3	100.0	0	0.0
	Percentage of Total Farms:			98.6		1.4		0.0

2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Flint MSA	Consistent	Consistent	Consistent

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Flint, MI MSA 22420								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2019			Dollar			
		Count Bank		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	1	1.9	1.7	144	1.2	0.7	8.5
	Moderate	2	3.8	6.1	130	1.1	3.3	14.9
	Middle	20	38.5	42.9	2,693	23.1	33.7	38.5
	Upper	29	55.8	49.2	8,666	74.5	62.3	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		52	100.0	100.0	11,633	100.0	100.0
Refinance	Low	0	0.0	0.7	0	0.0	0.2	8.5
	Moderate	0	0.0	3.4	0	0.0	1.9	14.9
	Middle	6	37.5	33.2	638	17.5	24.3	38.5
	Upper	10	62.5	62.7	3,018	82.5	73.6	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		16	100.0	100.0	3,656	100.0	100.0
Home Improvement	Low	0	0.0	1.5	0	0.0	0.6	8.5
	Moderate	0	0.0	6.4	0	0.0	3.1	14.9
	Middle	0	0.0	35.8	0	0.0	26.9	38.5
	Upper	0	0.0	56.3	0	0.0	69.3	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Multi-Family	Low	0	0.0	20.0	0	0.0	5.7	14.8
	Moderate	0	0.0	25.0	0	0.0	2.0	24.3
	Middle	0	0.0	40.0	0	0.0	84.1	35.7
	Upper	0	0.0	15.0	0	0.0	8.2	25.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	1.1	0	0.0	0.3	8.5
	Moderate	0	0.0	8.7	0	0.0	6.0	14.9
	Middle	0	0.0	33.9	0	0.0	27.5	38.5
	Upper	0	0.0	56.3	0	0.0	66.2	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	1.8	0	0.0	1.4	8.5
	Moderate	0	0.0	7.1	0	0.0	6.7	14.9
	Middle	0	0.0	43.1	0	0.0	33.2	38.5
	Upper	0	0.0	48.0	0	0.0	58.7	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	6.1	0	0.0	3.1	8.5
	Moderate	0	0.0	16.1	0	0.0	8.9	14.9
	Middle	0	0.0	44.4	0	0.0	43.1	38.5
	Upper	0	0.0	33.3	0	0.0	44.9	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	1	1.5	1.4	144	0.9	1.0	8.5
	Moderate	2	2.9	5.4	130	0.9	2.8	14.9
	Middle	26	38.2	38.9	3,331	21.8	34.7	38.5
	Upper	39	57.4	54.3	11,684	76.4	61.5	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		68	100.0	100.0	15,289	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Flint, MI MSA 22420								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	Agg		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	1	12.5	6.5	366	18.2	6.9	9.8
	Moderate	2	25.0	10.2	96	4.8	10.6	13.2
	Middle	2	25.0	41.5	1,195	59.5	50.5	43.0
	Upper	3	37.5	40.4	353	17.6	31.0	33.7
	Unknown	0	0.0	0.2	0	0.0	0.6	0.3
	Tr Unknown			1.1			0.4	
	Total	8	100.0	100.0	2,010	100.0	100.0	100.0
Originations & Purchases								
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Flint, MI MSA 22420								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison 2019					Families by Family Income %	
		Count Bank		Agg	Dollar Bank			Agg
		#	%	%	\$(000s)	\$ %		\$ %
Home Purchase	Low	0	0.0	5.3	0	0.0	2.3	
	Moderate	9	17.3	19.6	1,002	8.6	13.1	
	Middle	9	17.3	25.5	1,280	11.0	20.0	
	Upper	33	63.5	36.9	9,201	79.1	41.0	
	Unknown	1	1.9	12.7	150	1.3	12.4	
	Total	52	100.0	100.0	11,633	100.0	100.0	
Refinance	Low	0	0.0	3.9	0	0.0	1.8	
	Moderate	1	6.3	12.5	80	2.2	7.5	
	Middle	2	12.5	22.7	298	8.2	18.0	
	Upper	13	81.3	46.5	3,278	89.7	55.9	
	Unknown	0	0.0	14.3	0	0.0	16.7	
	Total	16	100.0	100.0	3,656	100.0	100.0	
Home Improvement	Low	0	0.0	6.5	0	0.0	3.6	
	Moderate	0	0.0	17.8	0	0.0	11.4	
	Middle	0	0.0	24.1	0	0.0	20.9	
	Upper	0	0.0	49.8	0	0.0	62.0	
	Unknown	0	0.0	1.8	0	0.0	2.1	
	Total	0	0.0	100.0	0	0.0	100.0	
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	
	Moderate	0	0.0	0.0	0	0.0	0.0	
	Middle	0	0.0	0.0	0	0.0	0.0	
	Upper	0	0.0	5.0	0	0.0	0.1	
	Unknown	0	0.0	95.0	0	0.0	99.9	
	Total	0	0.0	100.0	0	0.0	100.0	
Other Purpose LOC	Low	0	0.0	6.1	0	0.0	5.2	
	Moderate	0	0.0	17.7	0	0.0	13.4	
	Middle	0	0.0	21.3	0	0.0	21.4	
	Upper	0	0.0	53.4	0	0.0	59.0	
	Unknown	0	0.0	1.4	0	0.0	0.9	
	Total	0	0.0	100.0	0	0.0	100.0	
Other Purpose Closed/Exempt	Low	0	0.0	5.6	0	0.0	3.6	
	Moderate	0	0.0	17.8	0	0.0	14.8	
	Middle	0	0.0	26.0	0	0.0	24.4	
	Upper	0	0.0	48.2	0	0.0	52.2	
	Unknown	0	0.0	2.4	0	0.0	4.9	
	Total	0	0.0	100.0	0	0.0	100.0	
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	
	Moderate	0	0.0	0.0	0	0.0	0.0	
	Middle	0	0.0	1.1	0	0.0	1.8	
	Upper	0	0.0	0.0	0	0.0	0.0	
	Unknown	0	0.0	98.9	0	0.0	98.2	
	Total	0	0.0	100.0	0	0.0	100.0	
HMDA Totals	Low	0	0.0	4.8	0	0.0	2.0	
	Moderate	10	14.7	16.5	1,082	7.1	9.8	
	Middle	11	16.2	24.0	1,578	10.3	18.8	
	Upper	46	67.6	41.2	12,479	81.6	47.4	
	Unknown	1	1.5	13.5	150	1.0	22.0	
	Total	68	100.0	100.0	15,289	100.0	100.0	
Originations & Purchases								
2016 FFIEC Census Data								
Note: Percentages may not add to 100.0 percent due to rounding								

Small Business Lending By Revenue & Loan Size										
Assessment Area: 2019 Flint, MI MSA 22420										
Product Type		Bank & Aggregate Lending Comparison								
		2019								
		Count		Dollar			Total Businesses			
Bank	Agg	Bank	Agg	Agg	%					
#	%	%	\$ 000s	\$ %	\$ %	%				
Small Business	Revenue	\$1 Million or Less	6	75.0	45.6	1,681	83.6	27.1	91.5	
		Over \$1 Million or Unknown	2	25.0	54.4	329	16.4	72.9	8.5	
		Total	8	100.0	100.0	2,010	100.0	100.0	100.0	
	Loan Size	\$100,000 or Less	4	50.0	94.1	149	7.4	35.5		
		\$100,001 - \$250,000	0	0.0	3.0	0	0.0	14.6		
		\$250,001 - \$1 Million	4	50.0	2.9	1,861	92.6	49.9		
		Total	8	100.0	100.0	2,010	100.0	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	3	50.0		120	7.1			
		\$100,001 - \$250,000	0	0.0		0	0.0			
		\$250,001 - \$1 Million	3	50.0		1,561	92.9			
		Total	6	100.0		1,681	100.0			

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Flint MSA Community Development Activities										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Loans	0	0	2	487	0	0	3	8,400	5	8,887
Investments	2	423	2	6,000	0	0	0	0	4	6,423
Grants	0	0	5	5	1	0.25	0	0	6	5
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Services	3	27	13	109	1	5	0	0	17	141

JACKSON, MI MSA #27100 – Limited Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN JACKSON, MI MSA #27100

The Jackson MSA is comprised of Jackson County in its entirety.

The assessment area is comprised of 38 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, six census tracts are designated low-income, nine census tracts are moderate-income, 14 census tracts are considered middle-income, and eight upper-income census tracts are in the assessment area. In addition, there is one census tract in the assessment area with an unknown income.

The bank operates one branch and two full-service ATMs within the assessment area. Since the previous evaluation, there have been no changes to the assessment area.

The following table details the branch and ATM distribution within the assessment area.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	15.8	8.8	10.2
Moderate	0	0.0	0	0.0	23.7	17.6	28.2
Middle	1	100.0	2	100.0	36.8	50.4	40.7
Upper	0	0.0	0	0.0	21.1	23.2	20.9
Unknown	0	0.0	0	0.0	2.6	0.0	0.1
Total	1	100.0	2	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation’s (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank 10th among 12 FDIC-insured institutions operating in the assessment area. The bank holds a 1.3 percent market share, compared to the market leader Flagstar Bank, FSB, which holds 46.6 percent of the assessment area’s deposits.

Independent Bank ranks 27th out of 248 aggregate lenders in 2019 HMDA-reportable transactions. A total of 39 originations and purchase transactions were reported by the bank compared to 439 reported by market leader Flagstar Bank, FSB. The 2019 CRA Market Peer Report ranks the bank last out of 54 reporters. The bank did not originate or purchase any CRA-reportable loans in 2019; whereas, the first ranked institution, American Express National Bank, originated or purchased 369 loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the market with large national

lenders, especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Jackson, MI MSA 27100								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	6	15.8	3,504	8.8	1,654	47.2	8,910	22.3
Moderate-income	9	23.7	7,028	17.6	1,361	19.4	6,996	17.5
Middle-income	14	36.8	20,124	50.4	1,772	8.8	8,057	20.2
Upper-income	8	21.1	9,274	23.2	371	4.0	15,967	40.0
Unknown-income	1	2.6	0	0.0	0	0.0	0	0.0
Total Assessment Area	38	100.0	39,930	100.0	5,158	12.9	39,930	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	6,780	2,485	5.7	36.7	3,214	47.4	1,081	15.9
Moderate-income	14,319	6,790	15.6	47.4	5,487	38.3	2,042	14.3
Middle-income	32,454	23,375	53.7	72.0	5,948	18.3	3,131	9.6
Upper-income	15,568	10,905	25.0	70.0	2,387	15.3	2,276	14.6
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	69,121	43,555	100.0	63.0	17,036	24.6	8,530	12.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	568	10.2	464	9.3	101	18.1	3	5.8
Moderate-income	1,574	28.2	1,344	27.0	221	39.6	9	17.3
Middle-income	2,273	40.7	2,086	41.9	157	28.1	30	57.7
Upper-income	1,168	20.9	1,079	21.7	79	14.2	10	19.2
Unknown-income	5	0.1	5	0.1	0	0.0	0	0.0
Total Assessment Area	5,588	100.0	4,978	100.0	558	100.0	52	100.0
	Percentage of Total Businesses:			89.1		10.0		0.9
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
#		%	#	%	#	%	#	%
Low-income	1	0.5	1	0.5	0	0.0	0	0.0
Moderate-income	5	2.4	5	2.5	0	0.0	0	0.0
Middle-income	146	70.5	143	70.4	3	75.0	0	0.0
Upper-income	55	26.6	54	26.6	1	25.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	207	100.0	203	100.0	4	100.0	0	0.0
Percentage of Total Farms:			98.1		1.9		0.0	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Jackson MSA	Consistent	Below	Consistent

The bank's investment performance in the assessment area is below its overall performance. The bank made one mortgage-backed security investment, totaling approximately \$239,000. Further, the bank made eight qualified donations totaling \$6,950 focusing on community service organizations in the assessment area. This represents a significant decrease in the number of community development investments when compared to the previous examination during which time the bank made two investments for approximately \$2.3 million and four qualified donations for \$4,192. The decline in total investment dollars is the main contributor to the "below" rating.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Jackson, MI MSA 27100								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2019			Dollar			
		Count Bank		Agg	Bank	Agg		
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	4.3	0	0.0	1.9	5.7
	Moderate	2	11.8	16.9	191	7.4	11.4	15.6
	Middle	10	58.8	50.7	1,209	46.9	52.2	53.7
	Upper	5	29.4	28.1	1,177	45.7	34.6	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		17	100.0	100.0	2,577	100.0	100.0
Refinance	Low	0	0.0	1.6	0	0.0	0.6	5.7
	Moderate	2	16.7	11.3	195	12.5	7.8	15.6
	Middle	7	58.3	55.0	679	43.6	54.4	53.7
	Upper	3	25.0	32.1	682	43.8	37.2	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		12	100.0	100.0	1,556	100.0	100.0
Home Improvement	Low	0	0.0	3.2	0	0.0	1.8	5.7
	Moderate	1	16.7	11.1	23	5.1	8.8	15.6
	Middle	5	83.3	60.1	429	94.9	66.8	53.7
	Upper	0	0.0	25.6	0	0.0	22.6	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		6	100.0	100.0	452	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 11.2
	Moderate	0	0.0	44.4	0	0.0	22.8	43.9
	Middle	0	0.0	55.6	0	0.0	77.2	29.0
	Upper	0	0.0	0.0	0	0.0	0.0	15.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	3.3	0	0.0	1.5	5.7
	Moderate	0	0.0	12.7	0	0.0	8.3	15.6
	Middle	0	0.0	46.7	0	0.0	51.2	53.7
	Upper	0	0.0	37.3	0	0.0	39.0	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	1.3	0	0.0	1.0	5.7
	Moderate	0	0.0	12.9	0	0.0	7.8	15.6
	Middle	0	0.0	60.0	0	0.0	58.9	53.7
	Upper	0	0.0	25.8	0	0.0	32.3	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	10.7	0	0.0	7.1	5.7
	Moderate	0	0.0	19.6	0	0.0	13.1	15.6
	Middle	0	0.0	48.2	0	0.0	55.7	53.7
	Upper	0	0.0	21.4	0	0.0	24.1	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	0	0.0	3.2	0	0.0	1.3	5.7
	Moderate	5	14.3	14.4	409	8.9	10.2	15.6
	Middle	22	62.9	52.9	2,317	50.5	54.0	53.7
	Upper	8	22.9	29.5	1,859	40.5	34.4	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		35	100.0	100.0	4,585	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Jackson, MI MSA 27100								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count			Dollar			
		Bank	Agg	Agg	Bank	Agg	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	0	0.0	10.2	0	0.0	15.1	10.2
	Moderate	0	0.0	27.3	0	0.0	30.4	28.2
	Middle	0	0.0	40.2	0	0.0	36.3	40.7
	Upper	0	0.0	21.1	0	0.0	17.8	20.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	Tr Unknown			1.2			0.3	
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Originations & Purchases								
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Jackson, MI MSA 27100								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	2	11.8	8.9	218	8.5	4.9	22.3
	Moderate	7	41.2	24.0	669	26.0	17.5	17.5
	Middle	5	29.4	25.0	710	27.6	24.8	20.2
	Upper	3	17.6	30.8	980	38.0	42.0	40.0
	Unknown	0	0.0	11.3	0	0.0	10.8	0.0
	Total	17	100.0	100.0	2,577	100.0	100.0	100.0
Refinance	Low	1	8.3	7.5	96	6.2	3.6	22.3
	Moderate	1	8.3	17.5	67	4.3	12.7	17.5
	Middle	3	25.0	21.2	353	22.7	18.4	20.2
	Upper	7	58.3	38.2	1,040	66.8	47.8	40.0
	Unknown	0	0.0	15.7	0	0.0	17.5	0.0
	Total	12	100.0	100.0	1,556	100.0	100.0	100.0
Home Improvement	Low	1	16.7	7.9	114	25.2	4.7	22.3
	Moderate	2	33.3	16.8	180	39.8	14.6	17.5
	Middle	1	16.7	26.3	75	16.6	25.1	20.2
	Upper	2	33.3	47.8	83	18.4	55.0	40.0
	Unknown	0	0.0	1.3	0	0.0	0.6	0.0
	Total	6	100.0	100.0	452	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	22.3
	Moderate	0	0.0	0.0	0	0.0	0.0	17.5
	Middle	0	0.0	0.0	0	0.0	0.0	20.2
	Upper	0	0.0	0.0	0	0.0	0.0	40.0
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	12.7	0	0.0	9.2	22.3
	Moderate	0	0.0	18.0	0	0.0	11.9	17.5
	Middle	0	0.0	26.7	0	0.0	31.1	20.2
	Upper	0	0.0	42.0	0	0.0	47.6	40.0
	Unknown	0	0.0	0.7	0	0.0	0.2	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	7.7	0	0.0	4.3	22.3
	Moderate	0	0.0	17.4	0	0.0	14.1	17.5
	Middle	0	0.0	27.1	0	0.0	19.3	20.2
	Upper	0	0.0	45.8	0	0.0	60.5	40.0
	Unknown	0	0.0	1.9	0	0.0	1.8	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	22.3
	Moderate	0	0.0	1.8	0	0.0	1.5	17.5
	Middle	0	0.0	0.0	0	0.0	0.0	20.2
	Upper	0	0.0	1.8	0	0.0	4.2	40.0
	Unknown	0	0.0	96.4	0	0.0	94.3	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	4	11.4	8.3	428	9.3	4.3	22.3
	Moderate	10	28.6	20.7	916	20.0	15.0	17.5
	Middle	9	25.7	23.5	1,138	24.8	21.7	20.2
	Upper	12	34.3	34.8	2,103	45.9	43.5	40.0
	Unknown	0	0.0	12.7	0	0.0	15.5	0.0
	Total	35	100.0	100.0	4,585	100.0	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2019 Jackson, MI MSA 27100								
Product Type		Bank & Aggregate Lending Comparison						
		2019						
		Count		Dollar			Total Businesses	
Bank	Agg	Bank	Agg	Agg	%			
#	%	%	\$ 000s	\$ %	\$ %	%		
Revenue	\$1 Million or Less	0	0.0	39.3	0	0.0	25.6	89.1
	Over \$1 Million or Unknown	0	0.0	60.7	0	0.0	74.4	10.9
Total		0	0.0	100.0	0	0.0	100.0	100.0
Loan Size	\$100,000 or Less	0	0.0	90.9	0	0.0	27.7	
	\$100,001 - \$250,000	0	0.0	4.8	0	0.0	19.0	
	\$250,001 - \$1 Million	0	0.0	4.4	0	0.0	53.3	
	Total	0	0.0	100.0	0	0.0	100.0	
Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0		0	0.0		
	\$100,001 - \$250,000	0	0.0		0	0.0		
	\$250,001 - \$1 Million	0	0.0		0	0.0		
	Total	0	0.0		0	0.0		

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Jackson MSA Community Development Activities										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Loans	0	0	2	243	0	0	1	1,400	3	1,643
Investments	1	239	0	0	0	0	0	0	1	239
Grants	0	0	8	7	0	0	0	0	8	7
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Services	1	5	5	76	0	0	0	0	6	81

MUSKEGON, MI MSA #34740 – Limited Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN MUSKEGON, MI MSA #34740

The Muskegon MSA is comprised of Muskegon County in its entirety.

The assessment area is comprised of 43 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, five census tracts are designated low-income, 11 census tracts are moderate-income, 14 census tracts are considered middle-income, and 12 upper-income census tracts are in the assessment area. In addition, there is one census tract in the assessment area with an unknown income.

The bank operates one branch and one full-service ATM within the assessment area. Since the previous evaluation, there have been no changes to the assessment area.

The following table details the branch and ATM distribution within the assessment area.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	11.6	7.6	8.3
Moderate	0	0.0	0	0.0	25.6	21.1	21.4
Middle	1	100.0	1	100.0	32.6	40.1	35.3
Upper	0	0.0	0	0.0	27.9	31.1	34.9
Unknown	0	0.0	0	0.0	2.3	0.0	0.0
Total	1	100.0	1	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation’s (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank 10th among 10 FDIC-insured institutions operating in the assessment area. The bank holds a 1.5 percent market share, compared to the market leader Fifth Third Bank, N.A., which holds 24.8 percent of the assessment area’s deposits.

Independent Bank ranks 13th out of 230 aggregate lenders in 2019 HMDA-reportable transactions. A total of 108 originations and purchase transactions were reported by the bank compared to 821 reported by market leader Lake Michigan Credit Union. The 2019 CRA Market Peer Report ranks the bank 13th out of 59 reporters. The bank originated or purchased 32 CRA-reportable loans in 2019; whereas, the first ranked institution, PNC Bank, N.A., originated or purchased 342 loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the market with large national lenders,

especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Muskegon, MI MSA 34740								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	5	11.6	3,329	7.6	1,611	48.4	9,463	21.7
Moderate-income	11	25.6	9,228	21.1	2,102	22.8	7,404	17.0
Middle-income	14	32.6	17,533	40.1	1,992	11.4	9,013	20.6
Upper-income	12	27.9	13,586	31.1	630	4.6	17,796	40.7
Unknown-income	1	2.3	0	0.0	0	0.0	0	0.0
Total Assessment Area	43	100.0	43,676	100.0	6,335	14.5	43,676	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	6,912	2,421	5.0	35.0	3,048	44.1	1,443	20.9
Moderate-income	17,758	9,070	18.8	51.1	6,583	37.1	2,105	11.9
Middle-income	26,965	20,263	41.9	75.1	3,873	14.4	2,829	10.5
Upper-income	21,719	16,567	34.3	76.3	2,665	12.3	2,487	11.5
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	73,354	48,321	100.0	65.9	16,169	22.0	8,864	12.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	482	8.3	397	7.7	84	14.3	1	2.4
Moderate-income	1,244	21.4	1,048	20.2	188	32.1	8	19.5
Middle-income	2,051	35.3	1,904	36.8	129	22.0	18	43.9
Upper-income	2,028	34.9	1,829	35.3	185	31.6	14	34.1
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	5,805	100.0	5,178	100.0	586	100.0	41	100.0
	Percentage of Total Businesses:			89.2		10.1		0.7
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
#		%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1	0.7	1	0.8	0	0.0	0	0.0
Middle-income	90	65.7	89	69.5	1	11.1	0	0.0
Upper-income	46	33.6	38	29.7	8	88.9	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	137	100.0	128	100.0	9	100.0	0	0.0
Percentage of Total Farms:			93.4		6.6		0.0	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Muskegon MSA	Above	Below	Consistent

LENDING TEST

The bank's Lending performance in the Muskegon MSA is above its overall performance. The bank originated four qualified community development loans totaling approximately \$19.4 million focusing on community services and revitalization/stabilization. This represents a 300.0 percent increase in number and a 39.8 percent increase in dollar amount when compared to the performance during the previous evaluation during which time the bank originated only one community development loans totaling approximately \$475,000. Of the four community development loans, two were new totaling approximately \$19.2 million, which includes one \$17.5 million loan to facilitate the construction of a manufacturing distribution center located in a moderate-income census tract.

INVESTMENT TEST

The bank's investment performance in the Muskegon MSA is below its overall performance. The bank only made one mortgage-backed security investment, totaling approximately \$272,000. Further, the bank made seven qualified donations totaling \$22,100 focusing on community service organizations in the assessment area. This represents a slight decrease in the dollars of community development investments when compared to the previous examination during which time the bank made one investment for approximately \$300,000 and six qualified donations for 7,241. The decline in total investment dollars is the main contributor to the "below" rating.

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2019 Muskegon, MI MSA 34740							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2019			Dollar		
		Count Bank		Agg	Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	1	2.1	2.6	105	1.6	1.0
	Moderate	15	31.9	18.9	1,188	18.2	13.0
	Middle	15	31.9	42.3	2,738	41.9	41.9
	Upper	16	34.0	36.2	2,500	38.3	42.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		47	100.0	100.0	6,531	100.0
Refinance	Low	0	0.0	1.4	0	0.0	0.5
	Moderate	5	12.5	13.3	596	9.6	9.2
	Middle	18	45.0	44.8	2,612	42.2	43.5
	Upper	17	42.5	40.4	2,976	48.1	46.8
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		40	100.0	100.0	6,184	100.0
Home Improvement	Low	0	0.0	1.2	0	0.0	0.5
	Moderate	1	9.1	15.6	26	3.7	11.8
	Middle	4	36.4	43.6	307	43.7	43.0
	Upper	6	54.5	39.6	369	52.6	44.6
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		11	100.0	100.0	702	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	38.5	0	0.0	43.3
	Middle	0	0.0	46.2	0	0.0	21.9
	Upper	0	0.0	15.4	0	0.0	34.8
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	1.0	0	0.0	0.3
	Moderate	0	0.0	10.3	0	0.0	5.8
	Middle	0	0.0	35.6	0	0.0	21.2
	Upper	0	0.0	53.1	0	0.0	72.7
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	3.7	0	0.0	1.9
	Moderate	0	0.0	20.5	0	0.0	13.7
	Middle	0	0.0	46.6	0	0.0	58.3
	Upper	0	0.0	29.2	0	0.0	26.1
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	4.3	0	0.0	2.2
	Moderate	0	0.0	28.7	0	0.0	24.8
	Middle	0	0.0	42.6	0	0.0	44.1
	Upper	0	0.0	24.3	0	0.0	28.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	1	1.0	2.1	105	0.8	0.8
	Moderate	21	21.4	16.7	1,810	13.5	12.5
	Middle	37	37.8	43.2	5,657	42.2	42.4
	Upper	39	39.8	38.0	5,845	43.6	44.3
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		98	100.0	100.0	13,417	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Muskegon, MI MSA 34740								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	%		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	5	15.6	8.9	963	12.4	13.3	8.3
	Moderate	12	37.5	26.4	2,148	27.6	22.4	21.4
	Middle	8	25.0	31.5	2,184	28.0	28.3	35.3
	Upper	7	21.9	32.8	2,499	32.1	35.9	34.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			0.4			0.1	
	Total	32	100.0	100.0	7,794	100.0	100.0	100.0
Originations & Purchases 2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Muskegon, MI MSA 34740								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		Count		Agg	Dollar			
		#	%		Bank	Agg		
		Bank	%	Bank	%	Agg	%	
		#	%	\$ (000s)	\$ %	\$ %	%	
Home Purchase	Low	1	2.1	5.7	88	1.3	3.0	21.7
	Moderate	12	25.5	25.0	1,120	17.1	17.7	17.0
	Middle	10	21.3	27.3	1,448	22.2	26.1	20.6
	Upper	21	44.7	32.0	3,751	57.4	43.4	40.7
	Unknown	3	6.4	10.1	124	1.9	9.7	0.0
	Total	47	100.0	100.0	6,531	100.0	100.0	100.0
Refinance	Low	2	5.0	6.4	129	2.1	2.9	21.7
	Moderate	6	15.0	16.9	659	10.7	10.8	17.0
	Middle	9	22.5	23.1	1,057	17.1	19.7	20.6
	Upper	22	55.0	40.4	4,245	68.6	51.2	40.7
	Unknown	1	2.5	13.2	94	1.5	15.3	0.0
	Total	40	100.0	100.0	6,184	100.0	100.0	100.0
Home Improvement	Low	1	9.1	5.1	37	5.3	3.8	21.7
	Moderate	2	18.2	17.7	101	14.4	13.4	17.0
	Middle	1	9.1	24.0	25	3.6	20.2	20.6
	Upper	7	63.6	52.0	539	76.8	61.6	40.7
	Unknown	0	0.0	1.2	0	0.0	1.0	0.0
	Total	11	100.0	100.0	702	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	21.7
	Moderate	0	0.0	0.0	0	0.0	0.0	17.0
	Middle	0	0.0	0.0	0	0.0	0.0	20.6
	Upper	0	0.0	15.4	0	0.0	1.4	40.7
	Unknown	0	0.0	84.6	0	0.0	98.6	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	8.8	0	0.0	3.5	21.7
	Moderate	0	0.0	17.5	0	0.0	9.9	17.0
	Middle	0	0.0	26.3	0	0.0	15.7	20.6
	Upper	0	0.0	45.4	0	0.0	66.2	40.7
	Unknown	0	0.0	2.1	0	0.0	4.6	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	7.5	0	0.0	4.4	21.7
	Moderate	0	0.0	15.5	0	0.0	11.9	17.0
	Middle	0	0.0	30.4	0	0.0	20.2	20.6
	Upper	0	0.0	42.2	0	0.0	60.0	40.7
	Unknown	0	0.0	4.3	0	0.0	3.5	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	21.7
	Moderate	0	0.0	1.7	0	0.0	1.0	17.0
	Middle	0	0.0	1.7	0	0.0	1.6	20.6
	Upper	0	0.0	2.6	0	0.0	5.1	40.7
	Unknown	0	0.0	93.9	0	0.0	92.3	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	4	4.1	5.9	254	1.9	2.9	21.7
	Moderate	20	20.4	20.7	1,880	14.0	14.2	17.0
	Middle	20	20.4	25.1	2,530	18.9	22.3	20.6
	Upper	50	51.0	36.4	8,535	63.6	45.7	40.7
	Unknown	4	4.1	11.9	218	1.6	14.9	0.0
	Total	98	100.0	100.0	13,417	100.0	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size										
Assessment Area: 2019 Muskegon, MI MSA 34740										
Product Type		Bank & Aggregate Lending Comparison								
		2019								
		Count		Dollar			Total Businesses			
Bank	Agg	Bank	Agg	Agg	%					
#	%	%	\$ 000s	\$ %	\$ %	%				
Small Business	Revenue	\$1 Million or Less	15	46.9	45.5	3,332	42.8	27.0	89.2	
		Over \$1 Million or Unknown	17	53.1	54.5	4,462	57.2	73.0	10.8	
		Total	32	100.0	100.0	7,794	100.0	100.0	100.0	
	Loan Size	\$100,000 or Less	15	46.9	89.5	871	11.2	26.1		
		\$100,001 - \$250,000	6	18.8	5.2	1,062	13.6	18.5		
		\$250,001 - \$1 Million	11	34.4	5.3	5,861	75.2	55.4		
		Total	32	100.0	100.0	7,794	100.0	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	8	53.3		516	15.5			
		\$100,001 - \$250,000	3	20.0		512	15.4			
		\$250,001 - \$1 Million	4	26.7		2,304	69.1			
		Total	15	100.0		3,332	100.0			

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Muskegon MSA Community Development Activities										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Loans	0	0	2	243	0	0	2	19,191	4	19,434
Investments	1	272	0	0	0	0	0	0	1	272
Grants	0	0	6	12	1	10	0	0	7	22
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Services	6	23	7	192	1	2	0	0	14	217

SAGINAW, MI MSA #40980 – Limited Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN SAGINAW, MI MSA #40980

The Saginaw MSA is comprised of Saginaw County in its entirety.

The assessment area is comprised of 56 total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, eight census tracts are designated low-income, 10 census tracts are moderate-income, 27 census tracts are considered middle-income, and 11 upper-income census tracts are in the assessment area.

The bank operates four branches and six full-service ATMs within the assessment area. Since the previous evaluation, the bank has closed one branch, with a full-service ATM, and one standalone cash-only ATM, both located within an upper-income census tract.

The following table details the branch and ATM distribution within the assessment area.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	14.3	10.2	6.4
Moderate	0	0.0	0	0.0	17.9	10.9	12.4
Middle	4	100.0	4	66.7	48.2	52.6	52.1
Upper	0	0.0	2	33.3	19.6	26.4	29.1
Unknown	0	0.0	0	0.0	0.0	0.0	0.0
Total	4	100.0	6	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation’s (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank seventh among 13 FDIC-insured institutions operating in the assessment area. The bank holds a 6.8 percent market share, compared to the market leader The Huntington National Bank, which holds 23.9 percent of the assessment area’s deposits.

Independent Bank ranks eighth out of 217 aggregate lenders in 2019 HMDA-reportable transactions. A total of 123 originations and purchase transactions were reported by the bank compared to 410 reported by market leader Frankenmuth Credit Union. The 2019 CRA Market Peer Report ranks the bank 22nd out of 62 reporters. The bank originated or purchased 16 CRA-reportable loans in 2019; whereas, the first ranked institution, JPMorgan Chase Bank, N.A., originated or purchased 504 loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA reporters. Independent Bank is competitive in the

market with large national lenders, especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Saginaw, MI MSA 40980								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	8	14.3	5,057	10.2	2,171	42.9	10,528	21.2
Moderate-income	10	17.9	5,406	10.9	1,601	29.6	8,487	17.1
Middle-income	27	48.2	26,132	52.6	2,497	9.6	10,283	20.7
Upper-income	11	19.6	13,094	26.4	427	3.3	20,391	41.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	56	100.0	49,689	100.0	6,696	13.5	49,689	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	10,651	4,369	7.8	41.0	4,079	38.3	2,203	20.7
Moderate-income	12,190	5,425	9.6	44.5	4,181	34.3	2,584	21.2
Middle-income	44,135	30,848	54.8	69.9	10,188	23.1	3,099	7.0
Upper-income	19,847	15,628	27.8	78.7	3,207	16.2	1,012	5.1
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	86,823	56,270	100.0	64.8	21,655	24.9	8,898	10.2
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	426	6.4	378	6.4	47	6.8	1	1.9
Moderate-income	831	12.4	727	12.2	101	14.6	3	5.8
Middle-income	3,483	52.1	3,091	52.1	356	51.3	36	69.2
Upper-income	1,943	29.1	1,741	29.3	190	27.4	12	23.1
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	6,683	100.0	5,937	100.0	694	100.0	52	100.0
	Percentage of Total Businesses:		88.8		10.4		0.8	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1	0.3	1	0.3	0	0.0	0	0.0
Middle-income	190	63.5	185	62.9	2	100.0	3	100.0
Upper-income	108	36.1	108	36.7	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	299	100.0	294	100.0	2	100.0	3	100.0
	Percentage of Total Farms:		98.3		0.7		1.0	
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Saginaw MSA	Consistent	Consistent	Consistent

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Saginaw, MI MSA 40980								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2019			Dollar			
		Count Bank		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	2	2.5	1.5	58	0.5	0.5	7.8
	Moderate	1	1.3	3.6	53	0.5	1.7	9.6
	Middle	52	65.0	62.1	5,673	53.2	52.0	54.8
	Upper	25	31.3	32.9	4,880	45.8	45.8	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		80	100.0	100.0	10,664	100.0	100.0
Refinance	Low	1	3.3	0.8	19	0.5	0.4	7.8
	Moderate	4	13.3	2.2	332	9.2	1.1	9.6
	Middle	13	43.3	57.5	1,359	37.8	48.7	54.8
	Upper	12	40.0	39.5	1,883	52.4	49.8	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		30	100.0	100.0	3,593	100.0	100.0
Home Improvement	Low	1	14.3	4.5	13	2.3	1.5	7.8
	Moderate	0	0.0	5.6	0	0.0	3.1	9.6
	Middle	2	28.6	58.2	102	17.7	52.4	54.8
	Upper	4	57.1	31.6	462	80.1	43.1	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		7	100.0	100.0	577	100.0	100.0
Multi-Family	Low	0	0.0	4.8	0	0.0	20.6	Multi-Family 15.6
	Moderate	1	100.0	19.0	220	100.0	6.6	15.7
	Middle	0	0.0	57.1	0	0.0	52.0	52.9
	Upper	0	0.0	19.0	0	0.0	20.8	15.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		1	100.0	100.0	220	100.0	100.0
Other Purpose LOC	Low	0	0.0	2.5	0	0.0	0.7	7.8
	Moderate	0	0.0	1.2	0	0.0	0.4	9.6
	Middle	0	0.0	50.6	0	0.0	45.3	54.8
	Upper	0	0.0	45.7	0	0.0	53.6	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	3.7	0	0.0	1.0	7.8
	Moderate	0	0.0	8.1	0	0.0	3.4	9.6
	Middle	0	0.0	54.0	0	0.0	49.4	54.8
	Upper	0	0.0	34.2	0	0.0	46.2	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	4.9	0	0.0	2.6	7.8
	Moderate	0	0.0	10.8	0	0.0	5.7	9.6
	Middle	0	0.0	68.6	0	0.0	72.7	54.8
	Upper	0	0.0	15.7	0	0.0	19.0	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	4	3.4	1.6	90	0.6	2.5	7.8
	Moderate	6	5.1	3.6	605	4.0	2.1	9.6
	Middle	67	56.8	59.9	7,134	47.4	51.1	54.8
	Upper	41	34.7	35.0	7,225	48.0	44.3	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		118	100.0	100.0	15,054	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Saginaw, MI MSA 40980								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count			Dollar			
		Bank		Agg	Bank		Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	1	6.3	5.7	30	0.7	6.3	6.4
	Moderate	0	0.0	9.5	0	0.0	10.2	12.4
	Middle	14	87.5	53.2	4,088	95.7	56.4	52.1
	Upper	1	6.3	29.7	155	3.6	26.7	29.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			2.0			0.4	
	Total	16	100.0	100.0	4,273	100.0	100.0	100.0
Originations & Purchases								
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Saginaw, MI MSA 40980								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		Count		Agg %	Dollar			
		Bank #	Bank %		Bank \$ (000s)	Bank %		Agg \$ %
Home Purchase	Low	19	23.8	11.7	1,095	10.3	5.9	21.2
	Moderate	16	20.0	27.2	1,373	12.9	18.5	17.1
	Middle	19	23.8	23.2	2,718	25.5	22.0	20.7
	Upper	25	31.3	31.3	5,366	50.3	47.1	41.0
	Unknown	1	1.3	6.6	112	1.1	6.5	0.0
	Total	80	100.0	100.0	10,664	100.0	100.0	100.0
Refinance	Low	2	6.7	7.8	37	1.0	3.8	21.2
	Moderate	7	23.3	18.3	633	17.6	12.7	17.1
	Middle	9	30.0	23.5	932	25.9	20.1	20.7
	Upper	12	40.0	41.2	1,991	55.4	53.4	41.0
	Unknown	0	0.0	9.3	0	0.0	9.9	0.0
	Total	30	100.0	100.0	3,593	100.0	100.0	100.0
Home Improvement	Low	0	0.0	12.4	0	0.0	10.3	21.2
	Moderate	2	28.6	23.7	65	11.3	13.8	17.1
	Middle	1	14.3	23.7	50	8.7	21.3	20.7
	Upper	4	57.1	39.0	462	80.1	53.8	41.0
	Unknown	0	0.0	1.1	0	0.0	0.8	0.0
	Total	7	100.0	100.0	577	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	21.2
	Moderate	0	0.0	4.8	0	0.0	1.6	17.1
	Middle	0	0.0	0.0	0	0.0	0.0	20.7
	Upper	0	0.0	9.5	0	0.0	0.5	41.0
	Unknown	1	100.0	85.7	220	100.0	97.9	0.0
	Total	1	100.0	100.0	220	100.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	14.8	0	0.0	8.7	21.2
	Moderate	0	0.0	14.8	0	0.0	9.7	17.1
	Middle	0	0.0	18.5	0	0.0	12.7	20.7
	Upper	0	0.0	51.9	0	0.0	68.9	41.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	12.4	0	0.0	9.2	21.2
	Moderate	0	0.0	20.5	0	0.0	14.6	17.1
	Middle	0	0.0	24.8	0	0.0	22.1	20.7
	Upper	0	0.0	39.1	0	0.0	49.2	41.0
	Unknown	0	0.0	3.1	0	0.0	4.9	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	1.0	0	0.0	0.8	21.2
	Moderate	0	0.0	2.0	0	0.0	2.9	17.1
	Middle	0	0.0	0.0	0	0.0	0.0	20.7
	Upper	0	0.0	1.0	0	0.0	2.3	41.0
	Unknown	0	0.0	96.1	0	0.0	94.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	21	17.8	10.1	1,132	7.5	4.7	21.2
	Moderate	25	21.2	22.6	2,071	13.8	14.4	17.1
	Middle	29	24.6	22.6	3,700	24.6	18.8	20.7
	Upper	41	34.7	35.0	7,819	51.9	44.3	41.0
	Unknown	2	1.7	9.7	332	2.2	17.7	0.0
	Total	118	100.0	100.0	15,054	100.0	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size										
Assessment Area: 2019 Saginaw, MI MSA 40980										
Product Type		Bank & Aggregate Lending Comparison								
		2019								
		Count		Dollar			Total Businesses			
Bank	Agg	Bank	Agg	Agg	%					
#	%	%	\$ 000s	\$ %	\$ %	%				
Small Business	Revenue	\$1 Million or Less	8	50.0	42.3	2,315	54.2	23.6	88.8	
		Over \$1 Million or Unknown	8	50.0	57.7	1,958	45.8	76.4	11.2	
		Total	16	100.0	100.0	4,273	100.0	100.0	100.0	
	Loan Size	\$100,000 or Less	7	43.8	90.3	431	10.1	26.2		
		\$100,001 - \$250,000	3	18.8	5.0	498	11.7	18.2		
		\$250,001 - \$1 Million	6	37.5	4.7	3,344	78.3	55.6		
		Total	16	100.0	100.0	4,273	100.0	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	3	37.5		150	6.5			
		\$100,001 - \$250,000	2	25.0		365	15.8			
		\$250,001 - \$1 Million	3	37.5		1,800	77.8			
		Total	8	100.0		2,315	100.0			

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Saginaw MSA Community Development Activities										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Loans	0	0	6	1,213	0	0	0	0	6	1,213
Investments	3	1,013	0	0	0	0	0	0	3	1,013
Grants	1	2	40	56	0	0	0	0	41	58
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Services	1	37	22	450	1	10	0	0	24	497

NORTHERN, MI NonMSA – Limited Review

SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the Performance Evaluation.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN NORTHERN, MI NonMSA

The Northern NonMSA is comprised of Arenac County in its entirety.

The assessment area is comprised of seven total census tracts. Based on 2019 FFIEC census data and 2015 American Community Survey (ACS) Data, there are no low-, moderate, or upper-income census tracts in the assessment area. There are five middle-income census tracts and 2 census tracts of unknown income. All five middle-income census tracts were categorized as distressed and underserved in 2018 and 2019 due to population loss, unemployment, and their remote rural location.

The bank operates one branch and one full-service ATM, within the assessment area. Since the previous evaluation, there have been no changes to the assessment area.

The following table details the branch and ATM distribution within the assessment area.

Distribution of Branches, ATMs, and Demographics							
Tract Income Level	# of Branches	% of Branches	# of ATMs	% of ATMs	% of Tracts	% of Families	% of Businesses
Low	0	0.0	0	0.0	0.0	0.0	0.0
Moderate	0	0.0	0	0.0	0.0	0.0	0.0
Middle	1	100.0	1	100.0	71.4	100.0	100.0
Upper	0	0.0	0	0.0	0.0	0.0	0.0
Unknown	0	0.0	0	0.0	28.6	0.0	0.0
Total	1	100.0	1	100.0	100.0	100.0	100.0

The Federal Deposit Insurance Corporation’s (FDIC) Deposit Market Share Report dated June 30, 2020, ranks Independent Bank third among four FDIC-insured institutions operating in the assessment area. The bank holds a 16.4 percent market share, compared to the market leader TCF National Bank, which holds 41.8 percent of the assessment area’s deposits.

Independent Bank ranks fifth out of 86 aggregate lenders in 2019 HMDA-reportable transactions. A total of 13 originations and purchase transactions were reported by the bank compared to 44 reported by market leader Quicken Loans, LLC. The 2019 CRA Market Peer Report ranks the bank 13th out of 28 reporters. The bank originated or purchased two CRA-reportable loans in 2019; whereas, the first ranked institution, Citibank N.A., originated or purchased 34 loans in the assessment area. The data is indicative of a saturated market with respect to both HMDA and CRA

reporters. Independent Bank is competitive in the market with large national lenders, especially for HMDA-reportable loans. Additional assessment area demographic information is provided in the following table.

Assessment Area: 2019 Northern MI Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	1,077	25.1
Moderate-income	0	0.0	0	0.0	0	0.0	848	19.8
Middle-income	5	71.4	4,287	100.0	607	14.2	974	22.7
Upper-income	0	0.0	0	0.0	0	0.0	1,388	32.4
Unknown-income	2	28.6	0	0.0	0	0.0	0	0.0
Total Assessment Area	7	100.0	4,287	100.0	607	14.2	4,287	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0
Middle-income	9,767	5,352	100.0	54.8	1,095	11.2	3,320	34.0
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	9,767	5,352	100.0	54.8	1,095	11.2	3,320	34.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	613	100.0	547	100.0	50	100.0	16	100.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	613	100.0	547	100.0	50	100.0	16	100.0
	Percentage of Total Businesses:			89.2		8.2		2.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	66	100.0	63	100.0	2	100.0	1	100.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	66	100.0	63	100.0	2	100.0	1	100.0
	Percentage of Total Farms:			95.5		3.0		1.5
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Assessment Area	Lending Test	Investment Test	Service Test
Northern NonMSA	Below	Consistent	Consistent

LENDING TEST

The bank's lending performance in the Northern NonMSA is below its overall performance. The bank did not originate any qualified community development loans in the assessment area. This is below the performance of the previous evaluation during which time the bank originated two community development loans totaling approximately \$3.6 million. The decline or absence of community development lending in the assessment area is the main contributor to the "below" rating.

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Northern MI Non MSA								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2019			Dollar			
		Count Bank	Agg	Dollar Bank	Agg			
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	9	100.0	100.0	865	100.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		9	100.0	100.0	865	100.0	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	2	100.0	99.1	190	100.0	99.7	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.9	0	0.0	0.3	0.0
	Total		2	100.0	100.0	190	100.0	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	1	100.0	100.0	100	100.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		1	100.0	100.0	100	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	0.0	0	0.0	0.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	0.0	0	0.0	0.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	100.0	0	0.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	100.0	0	0.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	0	0.0	100.0	0	0.0	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	12	100.0	99.7	1,155	100.0	99.9	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.3	0	0.0	0.1	0.0
	Total		12	100.0	100.0	1,155	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2019 Northern MI Non MSA								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2019						
		Count			Dollar			
		Bank	Agg	Agg	Bank	Agg	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	2	100.0	94.0	330	100.0	98.3	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			6.0			1.7	
	Total	2	100.0	100.0	330	100.0	100.0	100.0
Originations & Purchases								
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

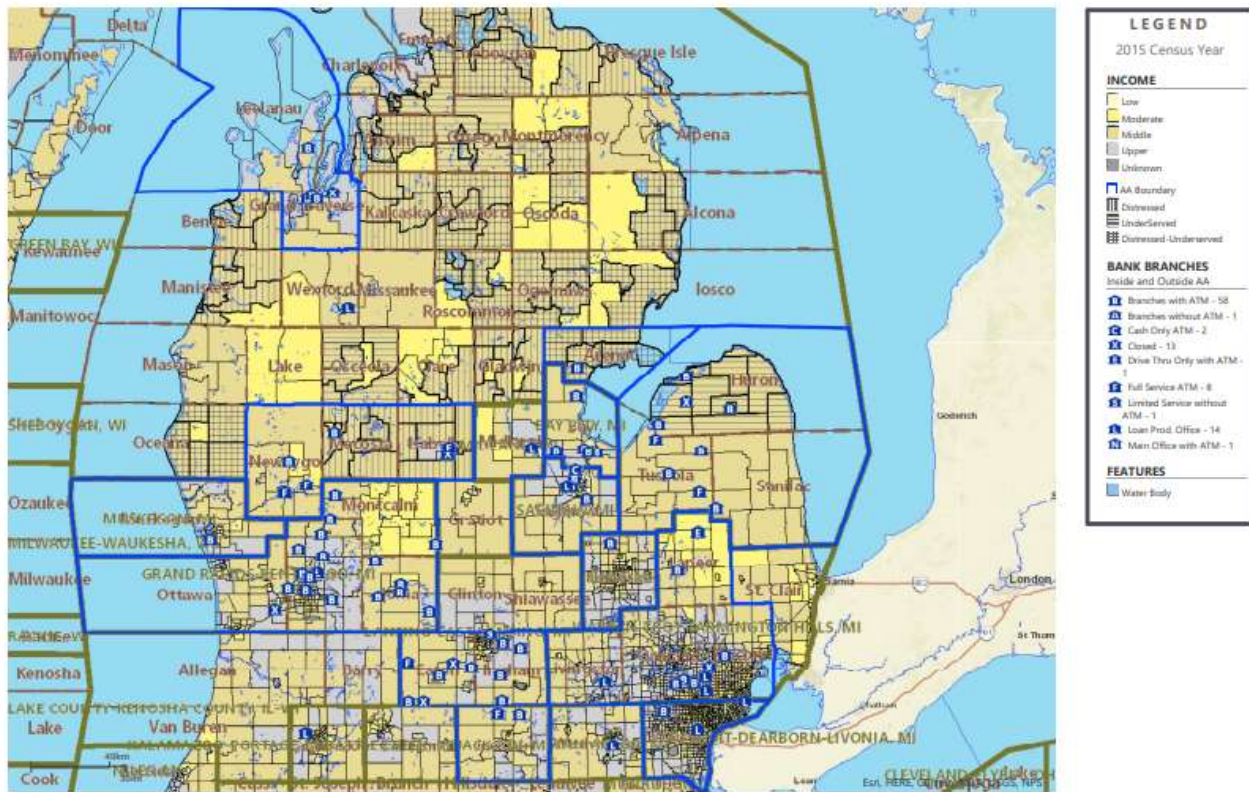
Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2019 Northern MI Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		Count		Agg	Dollar			Agg
		#	%		Bank	Agg		
					\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	8.1	0	0.0	5.0	
	Moderate	1	11.1	23.8	120	13.9	19.8	
	Middle	5	55.6	22.7	435	50.3	22.7	
	Upper	3	33.3	38.4	310	35.8	32.4	
	Unknown	0	0.0	7.0	0	0.0	8.3	
	Total		9	100.0	100.0	865	100.0	100.0
Refinance	Low	0	0.0	9.6	0	0.0	4.2	
	Moderate	0	0.0	22.8	0	0.0	16.6	
	Middle	0	0.0	26.3	0	0.0	26.1	
	Upper	2	100.0	36.0	190	100.0	47.1	
	Unknown	0	0.0	5.3	0	0.0	6.0	
	Total		2	100.0	100.0	190	100.0	100.0
Home Improvement	Low	0	0.0	5.9	0	0.0	4.2	
	Moderate	1	100.0	5.9	100	100.0	10.6	
	Middle	0	0.0	41.2	0	0.0	31.5	
	Upper	0	0.0	47.1	0	0.0	53.6	
	Unknown	0	0.0	0.0	0	0.0	0.0	
	Total		1	100.0	100.0	100	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	
	Moderate	0	0.0	0.0	0	0.0	0.0	
	Middle	0	0.0	0.0	0	0.0	0.0	
	Upper	0	0.0	0.0	0	0.0	0.0	
	Unknown	0	0.0	0.0	0	0.0	0.0	
	Total		0	0.0	0.0	0	0.0	0.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	
	Moderate	0	0.0	0.0	0	0.0	0.0	
	Middle	0	0.0	50.0	0	0.0	25.0	
	Upper	0	0.0	50.0	0	0.0	75.0	
	Unknown	0	0.0	0.0	0	0.0	0.0	
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	33.3	0	0.0	24.9	
	Moderate	0	0.0	16.7	0	0.0	12.2	
	Middle	0	0.0	16.7	0	0.0	6.1	
	Upper	0	0.0	33.3	0	0.0	56.9	
	Unknown	0	0.0	0.0	0	0.0	0.0	
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	
	Moderate	0	0.0	0.0	0	0.0	0.0	
	Middle	0	0.0	0.0	0	0.0	0.0	
	Upper	0	0.0	0.0	0	0.0	0.0	
	Unknown	0	0.0	100.0	0	0.0	100.0	
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	0	0.0	8.8	0	0.0	4.8	
	Moderate	2	16.7	21.6	220	19.0	16.0	
	Middle	5	41.7	24.7	435	37.7	22.4	
	Upper	5	41.7	37.2	500	43.3	48.1	
	Unknown	0	0.0	7.8	0	0.0	8.7	
	Total		12	100.0	100.0	1,155	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size										
Assessment Area: 2019 Northern MI Non MSA										
Product Type		Bank & Aggregate Lending Comparison								
		2019								
		Count		Dollar			Total Businesses			
Bank	Agg	Bank	Agg	Agg	%					
#	%	%	\$ 000s	\$ %	\$ %	%				
Small Business	Revenue	\$1 Million or Less	2	100.0	49.8	330	100.0	32.0	89.2	
		Over \$1 Million or Unknown	0	0.0	50.2	0	0.0	68.0	10.8	
		Total	2	100.0	100.0	330	100.0	100.0	100.0	
	Loan Size	\$100,000 or Less	0	0.0	90.0	0	0.0	31.8		
		\$100,001 - \$250,000	2	100.0	5.0	330	100.0	20.0		
		\$250,001 - \$1 Million	0	0.0	5.0	0	0.0	48.2		
		Total	2	100.0	100.0	330	100.0	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0		0	0.0			
		\$100,001 - \$250,000	2	100.0		330	100.0			
		\$250,001 - \$1 Million	0	0.0		0	0.0			
		Total	2	100.0		330	100.0			

Originations & Purchases
2019 FFIEC Census Data & 2019 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Northern NonMSA Community Development Activities										
August 7, 2018, through March 29, 2021										
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total #	Total \$(000s)
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)		
Loans	0	0	0	0	0	0	0	0	0	0
Investments	0	0	1	61	0	0	1	145	2	206
Grants	2	2	0	0	2	2	2	1	6	5
	Affordable Housing		Community Services		Economic Development		Revitalize/Stabilize		Total	
	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours	# Events	Hours
Services	0	0	5	31	3	60	2	133	10	224

APPENDIX A – Maps of Assessment Areas



APPENDIX B – 2018 Demographic and Lending Data Full Scope Reviews

Grand Rapids-Kentwood, MI MSA #24340

Assessment Area: 2018 Grand Rapids-Wyoming, MI MSA 24340								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	13	6.3	9,170	3.6	3,693	40.3	50,589	19.6
Moderate-income	44	21.4	46,889	18.2	7,952	17.0	46,733	18.1
Middle-income	103	50.0	135,276	52.5	9,591	7.1	57,934	22.5
Upper-income	45	21.8	66,551	25.8	2,307	3.5	102,630	39.8
Unknown-income	1	0.5	0	0.0	0	0.0	0	0.0
Total Assessment Area	206	100.0	257,886	100.0	23,543	9.1	257,886	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	17,889	5,119	1.9	28.6	10,333	57.8	2,437	13.6
Moderate-income	85,901	44,941	16.6	52.3	32,398	37.7	8,562	10.0
Middle-income	213,223	147,361	54.3	69.1	49,728	23.3	16,134	7.6
Upper-income	90,229	73,974	27.3	82.0	11,510	12.8	4,745	5.3
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	407,242	271,395	100.0	66.6	103,969	25.5	31,878	7.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	1,337	3.2	1,064	2.9	258	5.5	15	3.5
Moderate-income	7,090	17.0	6,163	16.8	858	18.4	69	16.2
Middle-income	20,868	50.1	18,363	50.2	2,299	49.3	206	48.4
Upper-income	12,378	29.7	10,991	30.0	1,251	26.8	136	31.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	41,673	100.0	36,581	100.0	4,666	100.0	426	100.0
	Percentage of Total Businesses:			87.8		11.2		1.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	1	0.1	1	0.1	0	0.0	0	0.0
Moderate-income	182	15.6	168	15.6	12	13.8	2	100.0
Middle-income	739	63.4	677	62.9	62	71.3	0	0.0
Upper-income	243	20.9	230	21.4	13	14.9	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,165	100.0	1,076	100.0	87	100.0	2	100.0
	Percentage of Total Farms:			92.4		7.5		0.2
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Grand Rapids-Wyoming, MI MSA 24340								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2018			Dollar			
		Count Bank	Agg	Dollar Bank	Agg			
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	13	2.4	2.7	1,698	1.5	1.6	1.9
	Moderate	100	18.2	17.7	13,648	11.8	12.5	16.6
	Middle	272	49.5	54.2	54,608	47.2	52.0	54.3
	Upper	164	29.9	25.4	45,638	39.5	34.0	27.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		549	100.0	100.0	115,592	100.0	100.0
Refinance	Low	2	1.3	1.6	142	0.6	0.9	1.9
	Moderate	22	14.0	15.5	2,345	10.2	11.2	16.6
	Middle	80	51.0	54.0	10,790	47.1	51.1	54.3
	Upper	53	33.8	28.9	9,653	42.1	36.9	27.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		157	100.0	100.0	22,930	100.0	100.0
Home Improvement	Low	0	0.0	1.4	0	0.0	1.3	1.9
	Moderate	7	9.6	10.8	281	3.7	8.3	16.6
	Middle	34	46.6	53.7	2,932	38.9	49.5	54.3
	Upper	32	43.8	34.1	4,318	57.3	40.8	27.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		73	100.0	100.0	7,531	100.0	100.0
Multi-Family	Low	0	0.0	7.5	0	0.0	6.4	7.7
	Moderate	0	0.0	27.4	0	0.0	7.8	28.4
	Middle	0	0.0	53.8	0	0.0	75.6	50.4
	Upper	0	0.0	11.3	0	0.0	10.3	13.4
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	1.8	0	0.0	1.1	1.9
	Moderate	0	0.0	10.2	0	0.0	6.1	16.6
	Middle	0	0.0	53.9	0	0.0	47.9	54.3
	Upper	0	0.0	34.0	0	0.0	45.0	27.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	2.1	0	0.0	1.5	1.9
	Moderate	0	0.0	17.6	0	0.0	14.7	16.6
	Middle	0	0.0	52.7	0	0.0	48.1	54.3
	Upper	0	0.0	27.6	0	0.0	35.7	27.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	4.5	0	0.0	3.1	1.9
	Moderate	0	0.0	22.9	0	0.0	18.1	16.6
	Middle	0	0.0	55.1	0	0.0	54.4	54.3
	Upper	0	0.0	17.5	0	0.0	24.5	27.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	15	1.9	2.3	1,840	1.3	1.8	1.9
	Moderate	129	16.6	16.1	16,274	11.1	11.6	16.6
	Middle	386	49.6	54.0	68,330	46.8	53.5	54.3
	Upper	249	32.0	27.6	59,609	40.8	33.1	27.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		779	100.0	100.0	146,053	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Grand Rapids-Wyoming, MI MSA 24340								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	Agg		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	2	1.8	3.4	334	1.4	4.3	3.2
	Moderate	24	21.2	15.6	6,189	25.7	18.4	17.0
	Middle	50	44.2	48.9	10,778	44.7	47.8	50.1
	Upper	37	32.7	31.2	6,819	28.3	29.3	29.7
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			0.9			0.2	
	Total	113	100.0	100.0	24,120	100.0	100.0	100.0
Originations & Purchases								
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Grand Rapids-Wyoming, MI MSA 24340								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		2018		2018				
		Count Bank		Agg	Dollar Bank			Agg
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	49	8.9	9.3	5,201	4.5	5.2	19.6
	Moderate	112	20.4	23.8	15,093	13.1	17.3	18.1
	Middle	113	20.6	23.3	18,161	15.7	21.5	22.5
	Upper	264	48.1	32.4	74,844	64.7	45.4	39.8
	Unknown	11	2.0	11.2	2,293	2.0	10.6	0.0
	Total		549	100.0	100.0	115,592	100.0	100.0
Refinance	Low	11	7.0	10.7	960	4.2	6.7	19.6
	Moderate	34	21.7	23.0	3,538	15.4	18.3	18.1
	Middle	40	25.5	23.4	5,065	22.1	21.5	22.5
	Upper	69	43.9	33.0	13,101	57.1	43.1	39.8
	Unknown	3	1.9	10.0	266	1.2	10.4	0.0
	Total		157	100.0	100.0	22,930	100.0	100.0
Home Improvement	Low	1	1.4	7.6	25	0.3	5.2	19.6
	Moderate	8	11.0	19.1	271	3.6	14.3	18.1
	Middle	21	28.8	27.0	1,680	22.3	22.9	22.5
	Upper	41	56.2	43.7	5,405	71.8	52.7	39.8
	Unknown	2	2.7	2.6	150	2.0	4.9	0.0
	Total		73	100.0	100.0	7,531	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	19.6
	Moderate	0	0.0	0.9	0	0.0	0.0	18.1
	Middle	0	0.0	0.0	0	0.0	0.0	22.5
	Upper	0	0.0	0.0	0	0.0	0.0	39.8
	Unknown	0	0.0	99.1	0	0.0	100.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	9.3	0	0.0	4.9	19.6
	Moderate	0	0.0	19.1	0	0.0	12.1	18.1
	Middle	0	0.0	24.8	0	0.0	20.5	22.5
	Upper	0	0.0	44.6	0	0.0	60.8	39.8
	Unknown	0	0.0	2.3	0	0.0	1.8	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	10.3	0	0.0	6.4	19.6
	Moderate	0	0.0	22.3	0	0.0	14.9	18.1
	Middle	0	0.0	24.9	0	0.0	16.8	22.5
	Upper	0	0.0	38.8	0	0.0	54.5	39.8
	Unknown	0	0.0	3.8	0	0.0	7.4	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	2.3	0	0.0	1.5	19.6
	Moderate	0	0.0	5.9	0	0.0	4.6	18.1
	Middle	0	0.0	3.7	0	0.0	2.0	22.5
	Upper	0	0.0	4.4	0	0.0	3.2	39.8
	Unknown	0	0.0	83.7	0	0.0	88.7	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	61	7.8	9.4	6,186	4.2	5.1	19.6
	Moderate	154	19.8	22.5	18,902	12.9	15.7	18.1
	Middle	174	22.3	23.5	24,906	17.1	19.5	22.5
	Upper	374	48.0	34.0	93,350	63.9	41.5	39.8
	Unknown	16	2.1	10.7	2,709	1.9	18.2	0.0
	Total		779	100.0	100.0	146,053	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
Note: Percentages may not add to 100.0 percent due to rounding								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Grand Rapids-Wyoming, MI MSA 24340									
Product Type		Bank & Aggregate Lending Comparison							
		Count		2018				Total Businesses %	
		Bank #	Agg %	Dollar		Agg \$ %			
Bank \$ 000s	\$ %								
Small Business	Revenue	\$1 Million or Less	46	40.7	42.2	7,424	30.8	26.3	87.8
		Over \$1 Million or Unknown	67	59.3	57.8	16,696	69.2	73.7	12.2
		Total	113	100.0	100.0	24,120	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	53	46.9	85.6	3,100	12.9	21.3	
		\$100,001 - \$250,000	31	27.4	6.6	5,544	23.0	16.6	
		\$250,001 - \$1 Million	29	25.7	7.8	15,476	64.2	62.1	
		Total	113	100.0	100.0	24,120	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	23	50.0		1,113	15.0		
		\$100,001 - \$250,000	14	30.4		2,458	33.1		
		\$250,001 - \$1 Million	9	19.6		3,853	51.9		
Total		46	100.0		7,424	100.0			
Originations & Purchases									
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Detroit-Warren-Dearborn, MI MSA #19820

Assessment Area: 2018 Detroit-Warren-Dearborn, MI MSA 19820								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	170	14.3	89,261	9.1	38,094	42.7	228,723	23.2
Moderate-income	311	26.1	221,951	22.5	49,544	22.3	162,387	16.5
Middle-income	349	29.3	325,427	33.0	28,331	8.7	183,295	18.6
Upper-income	336	28.2	348,036	35.3	14,427	4.1	411,862	41.8
Unknown-income	24	2.0	1,592	0.2	599	37.6	0	0.0
Total Assessment Area	1,190	100.0	986,267	100.0	130,995	13.3	986,267	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	219,705	66,878	6.4	30.4	93,384	42.5	59,443	27.1
Moderate-income	450,045	211,569	20.3	47.0	159,052	35.3	79,424	17.6
Middle-income	550,260	365,050	35.0	66.3	141,776	25.8	43,434	7.9
Upper-income	518,980	396,689	38.1	76.4	91,538	17.6	30,753	5.9
Unknown-income	6,352	1,466	0.1	23.1	2,423	38.1	2,463	38.8
Total Assessment Area	1,745,342	1,041,652	100.0	59.7	488,173	28.0	215,517	12.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	13,654	7.7	11,659	7.4	1,878	11.1	117	7.7
Moderate-income	36,728	20.8	32,264	20.4	4,160	24.7	304	20.0
Middle-income	53,577	30.4	48,989	31.0	4,170	24.8	418	27.5
Upper-income	71,315	40.4	64,283	40.7	6,360	37.8	672	44.2
Unknown-income	1,048	0.6	762	0.5	278	1.7	8	0.5
Total Assessment Area	176,322	100.0	157,957	100.0	16,846	100.0	1,519	100.0
	Percentage of Total Businesses:			89.6		9.6		0.9
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	19	1.9	17	1.8	2	6.9	0	0.0
Moderate-income	228	23.3	222	23.4	6	20.7	0	0.0
Middle-income	425	43.4	415	43.7	9	31.0	1	50.0
Upper-income	308	31.4	295	31.1	12	41.4	1	50.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	980	100.0	949	100.0	29	100.0	2	100.0
	Percentage of Total Farms:			96.8		3.0		0.2
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans								
Assessment Group: 2018 Detroit-Warren-Dearborn, MI MSA 19820								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2018			Dollar			
		Count Bank		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	43	6.6	3.0	6,536	3.9	1.5	6.4
	Moderate	85	13.0	17.1	13,660	8.2	11.1	20.3
	Middle	190	29.0	37.7	38,393	23.0	32.7	35.0
	Upper	334	51.0	42.2	107,629	64.6	54.7	38.1
	Unknown	3	0.5	0.0	409	0.2	0.0	0.1
	Total		655	100.0	100.0	166,627	100.0	100.0
Refinance	Low	5	4.9	1.9	998	4.3	1.0	6.4
	Moderate	11	10.7	13.4	1,201	5.2	9.0	20.3
	Middle	28	27.2	38.4	4,121	17.8	32.9	35.0
	Upper	58	56.3	46.3	16,641	72.0	57.1	38.1
	Unknown	1	1.0	0.0	155	0.7	0.0	0.1
	Total		103	100.0	100.0	23,116	100.0	100.0
Home Improvement	Low	7	10.8	2.1	599	7.3	1.4	6.4
	Moderate	6	9.2	11.2	501	6.1	8.1	20.3
	Middle	8	12.3	34.2	596	7.3	29.8	35.0
	Upper	44	67.7	52.5	6,504	79.3	60.6	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	Total		65	100.0	100.0	8,200	100.0	100.0
Multi-Family	Low	0	0.0	14.2	0	0.0	9.4	17.1
	Moderate	0	0.0	34.0	0	0.0	23.1	29.1
	Middle	0	0.0	30.7	0	0.0	44.2	30.9
	Upper	0	0.0	21.2	0	0.0	23.3	22.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.7
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	2.0	0	0.0	0.9	6.4
	Moderate	0	0.0	11.0	0	0.0	6.7	20.3
	Middle	0	0.0	33.6	0	0.0	26.7	35.0
	Upper	0	0.0	53.4	0	0.0	65.7	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	3.3	0	0.0	1.8	6.4
	Moderate	0	0.0	15.6	0	0.0	10.5	20.3
	Middle	0	0.0	37.2	0	0.0	28.4	35.0
	Upper	0	0.0	43.7	0	0.0	59.2	38.1
	Unknown	0	0.0	0.1	0	0.0	0.1	0.1
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	5.5	0	0.0	3.0	6.4
	Moderate	0	0.0	22.4	0	0.0	16.3	20.3
	Middle	0	0.0	39.9	0	0.0	35.7	35.0
	Upper	0	0.0	32.2	0	0.0	44.9	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	55	6.7	2.6	8,133	4.1	1.9	6.4
	Moderate	102	12.4	15.3	15,362	7.8	11.2	20.3
	Middle	226	27.5	37.5	43,110	21.8	33.4	35.0
	Upper	436	53.0	44.5	130,774	66.1	53.4	38.1
	Unknown	4	0.5	0.0	564	0.3	0.0	0.1
	Total		823	100.0	100.0	197,943	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Detroit-Warren-Dearborn, MI MSA 19820								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	Agg		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	13	9.5	7.1	3,906	9.4	8.5	7.7
	Moderate	29	21.2	19.9	8,210	19.7	22.2	20.8
	Middle	41	29.9	29.1	12,561	30.2	26.5	30.4
	Upper	46	33.6	42.8	15,172	36.5	41.0	40.4
	Unknown	8	5.8	0.6	1,755	4.2	1.5	0.6
	Tr Unknown			0.5			0.2	
	Total	137	100.0	100.0	41,604	100.0	100.0	100.0
Originations & Purchases 2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Group: 2018 Detroit-Warren-Dearborn, MI MSA 19820								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		Count Bank		Agg	Dollar Bank			Agg
		#	%	%	\$(000s)	\$ %		\$ %
Home Purchase	Low	30	4.6	9.3	2,810	1.7	4.9	23.2
	Moderate	83	12.7	21.2	11,533	6.9	14.8	16.5
	Middle	118	18.0	22.7	20,810	12.5	20.5	18.6
	Upper	414	63.2	34.9	128,299	77.0	48.3	41.8
	Unknown	10	1.5	11.9	3,175	1.9	11.5	0.0
	Total	655	100.0	100.0	166,627	100.0	100.0	100.0
Refinance	Low	9	8.7	9.9	900	3.9	5.6	23.2
	Moderate	8	7.8	18.5	1,063	4.6	13.6	16.5
	Middle	19	18.4	23.2	3,044	13.2	20.8	18.6
	Upper	66	64.1	38.8	17,927	77.6	50.1	41.8
	Unknown	1	1.0	9.5	182	0.8	9.8	0.0
	Total	103	100.0	100.0	23,116	100.0	100.0	100.0
Home Improvement	Low	2	3.1	8.2	108	1.3	5.1	23.2
	Moderate	7	10.8	15.3	414	5.0	11.4	16.5
	Middle	7	10.8	21.8	569	6.9	17.3	18.6
	Upper	47	72.3	51.4	7,052	86.0	60.7	41.8
	Unknown	2	3.1	3.2	57	0.7	5.4	0.0
	Total	65	100.0	100.0	8,200	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.5	0	0.0	0.0	23.2
	Moderate	0	0.0	0.0	0	0.0	0.0	16.5
	Middle	0	0.0	1.9	0	0.0	0.1	18.6
	Upper	0	0.0	3.8	0	0.0	0.4	41.8
	Unknown	0	0.0	93.9	0	0.0	99.5	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	9.8	0	0.0	5.8	23.2
	Moderate	0	0.0	16.8	0	0.0	11.8	16.5
	Middle	0	0.0	22.3	0	0.0	18.0	18.6
	Upper	0	0.0	49.7	0	0.0	62.8	41.8
	Unknown	0	0.0	1.3	0	0.0	1.7	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	9.1	0	0.0	5.6	23.2
	Moderate	0	0.0	18.2	0	0.0	13.4	16.5
	Middle	0	0.0	24.2	0	0.0	17.7	18.6
	Upper	0	0.0	43.6	0	0.0	53.0	41.8
	Unknown	0	0.0	4.9	0	0.0	10.4	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	1.0	0	0.0	0.6	23.2
	Moderate	0	0.0	2.5	0	0.0	1.4	16.5
	Middle	0	0.0	3.2	0	0.0	2.3	18.6
	Upper	0	0.0	3.7	0	0.0	4.1	41.8
	Unknown	0	0.0	89.7	0	0.0	91.7	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	41	5.0	9.2	3,818	1.9	4.7	23.2
	Moderate	98	11.9	19.3	13,010	6.6	13.1	16.5
	Middle	144	17.5	22.4	24,423	12.3	18.7	18.6
	Upper	527	64.0	37.5	153,278	77.4	45.6	41.8
	Unknown	13	1.6	11.6	3,414	1.7	17.8	0.0
	Total	823	100.0	100.0	197,943	100.0	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Detroit-Warren-Dearborn, MI MSA 19820									
Product Type		Bank & Aggregate Lending Comparison							
		Count		2018				Total Businesses %	
		Bank #	%	Agg %	Dollar		Agg \$ %		
Bank \$ 000s	\$ %								
Small Business	Revenue	\$1 Million or Less	60	43.8	46.0	13,472	32.4	26.4	89.6
		Over \$1 Million or Unknown	77	56.2	54.0	28,132	67.6	73.6	10.4
		Total	137	100.0	100.0	41,604	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	38	27.7	93.4	1,997	4.8	32.6	
		\$100,001 - \$250,000	44	32.1	3.0	7,968	19.2	14.0	
		\$250,001 - \$1 Million	55	40.1	3.6	31,639	76.0	53.4	
		Total	137	100.0	100.0	41,604	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	23	38.3		1,104	8.2		
		\$100,001 - \$250,000	21	35.0		3,659	27.2		
		\$250,001 - \$1 Million	16	26.7		8,709	64.6		
		Total	60	100.0		13,472	100.0		
	Originations & Purchases								
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Lansing-East Lansing, MI MSA #29620

Assessment Area: 2018 Lansing-East Lansing, MI MSA 29620									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	11	10.1	6,163	6.9	2,384	38.7	20,401	22.8	
Moderate-income	22	20.2	17,508	19.6	3,860	22.0	16,033	17.9	
Middle-income	42	38.5	38,850	43.5	2,845	7.3	17,989	20.1	
Upper-income	25	22.9	26,689	29.9	1,482	5.6	34,940	39.1	
Unknown-income	9	8.3	153	0.2	62	40.5	0	0.0	
Total Assessment Area	109	100.0	89,363	100.0	10,633	11.9	89,363	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied		Rental		Vacant			
		#	%	#	%	#	%		
Low-income	15,647	3,985	4.2	25.5	9,087	58.1	2,575	16.5	
Moderate-income	36,618	17,039	18.0	46.5	15,491	42.3	4,088	11.2	
Middle-income	67,865	43,432	45.8	64.0	19,157	28.2	5,276	7.8	
Upper-income	47,201	30,295	31.9	64.2	14,231	30.1	2,675	5.7	
Unknown-income	1,483	156	0.2	10.5	1,177	79.4	150	10.1	
Total Assessment Area	168,814	94,907	100.0	56.2	59,143	35.0	14,764	8.7	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%		
Low-income	1,465	9.5	1,226	8.9	224	15.7	15	7.3	
Moderate-income	3,084	20.1	2,691	19.6	332	23.2	61	29.6	
Middle-income	5,592	36.4	5,104	37.1	410	28.7	78	37.9	
Upper-income	4,832	31.4	4,374	31.8	420	29.4	38	18.4	
Unknown-income	402	2.6	346	2.5	42	2.9	14	6.8	
Total Assessment Area	15,375	100.0	13,741	100.0	1,428	100.0	206	100.0	
	Total Farms by Tract	Percentage of Total Businesses:		89.4		9.3		1.3	
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%		
Low-income	6	1.4	6	1.4	0	0.0	0	0.0	
Moderate-income	22	5.0	22	5.0	0	0.0	0	0.0	
Middle-income	309	69.8	307	70.1	1	25.0	1	100.0	
Upper-income	100	22.6	99	22.6	1	25.0	0	0.0	
Unknown-income	6	1.4	4	0.9	2	50.0	0	0.0	
Total Assessment Area	443	100.0	438	100.0	4	100.0	1	100.0	
Percentage of Total Farms:		98.9		0.9		0.2			
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
Note: Percentages may not add to 100.0 percent due to rounding									

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2018 Lansing-East Lansing, MI MSA 29620							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2018			Dollar		
		Count Bank		Agg	Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	3	1.5	4.4	139	0.5	2.1
	Moderate	31	15.2	19.0	2,634	9.3	11.8
	Middle	122	59.8	45.5	16,681	58.6	45.8
	Upper	47	23.0	30.8	8,883	31.2	42.5
	Unknown	1	0.5	0.2	110	0.4	0.3
	Total		204	100.0	100.0	28,447	100.0
Refinance	Low	0	0.0	3.1	0	0.0	1.5
	Moderate	1	2.3	13.6	76	1.4	8.4
	Middle	35	79.5	45.4	4,005	75.9	43.5
	Upper	8	18.2	37.6	1,193	22.6	46.2
	Unknown	0	0.0	0.3	0	0.0	0.5
	Total		44	100.0	100.0	5,274	100.0
Home Improvement	Low	1	6.3	2.2	24	2.5	1.5
	Moderate	2	12.5	12.8	114	11.9	9.5
	Middle	11	68.8	46.0	725	75.6	44.7
	Upper	2	12.5	38.8	96	10.0	44.3
	Unknown	0	0.0	0.2	0	0.0	0.1
	Total		16	100.0	100.0	959	100.0
Multi-Family	Low	0	0.0	21.1	0	0.0	7.5
	Moderate	0	0.0	19.3	0	0.0	6.1
	Middle	1	25.0	24.6	30	0.7	23.9
	Upper	1	25.0	29.8	2,496	60.3	61.7
	Unknown	2	50.0	5.3	1,610	38.9	0.9
	Total		4	100.0	100.0	4,136	100.0
Other Purpose LOC	Low	0	0.0	1.5	0	0.0	0.6
	Moderate	0	0.0	11.7	0	0.0	6.9
	Middle	0	0.0	37.7	0	0.0	34.3
	Upper	0	0.0	48.7	0	0.0	58.0
	Unknown	0	0.0	0.4	0	0.0	0.2
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	1.5	0	0.0	1.5
	Moderate	0	0.0	14.4	0	0.0	12.8
	Middle	0	0.0	53.7	0	0.0	49.8
	Upper	0	0.0	30.4	0	0.0	35.8
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	5.4	0	0.0	3.6
	Moderate	0	0.0	24.5	0	0.0	19.5
	Middle	0	0.0	41.7	0	0.0	42.9
	Upper	0	0.0	27.9	0	0.0	34.0
	Unknown	0	0.0	0.5	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	4	1.5	3.8	163	0.4	2.9
	Moderate	34	12.7	16.9	2,824	7.3	10.0
	Middle	169	63.1	45.3	21,441	55.2	39.8
	Upper	58	21.6	33.8	12,668	32.6	46.9
	Unknown	3	1.1	0.3	1,720	4.4	0.4
	Total		268	100.0	100.0	38,816	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Lansing-East Lansing, MI MSA 29620								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	Agg		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	10	11.5	12.3	1,963	12.7	17.7	9.5
	Moderate	17	19.5	17.2	3,734	24.1	19.9	20.1
	Middle	30	34.5	32.8	4,807	31.0	25.6	36.4
	Upper	30	34.5	34.8	5,005	32.3	34.4	31.4
	Unknown	0	0.0	2.1	0	0.0	2.1	2.6
	Tr Unknown			0.8			0.3	
	Total	87	100.0	100.0	15,509	100.0	100.0	100.0
Originations & Purchases								
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Lansing-East Lansing, MI MSA 29620								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		Count Bank		Agg %	Dollar Bank		Agg \$ %	
		#	%		\$(000s)	\$ %		
Home Purchase	Low	30	14.7	12.6	2,425	8.5	6.7	22.8
	Moderate	64	31.4	27.8	7,043	24.8	21.9	17.9
	Middle	50	24.5	23.2	7,203	25.3	23.6	20.1
	Upper	58	28.4	26.1	11,165	39.2	37.8	39.1
	Unknown	2	1.0	10.4	611	2.1	10.0	0.0
	Total	204	100.0	100.0	28,447	100.0	100.0	100.0
Refinance	Low	9	20.5	11.0	611	11.6	6.7	22.8
	Moderate	13	29.5	23.1	1,283	24.3	18.5	17.9
	Middle	10	22.7	25.3	1,529	29.0	24.6	20.1
	Upper	12	27.3	32.1	1,851	35.1	40.6	39.1
	Unknown	0	0.0	8.6	0	0.0	9.7	0.0
	Total	44	100.0	100.0	5,274	100.0	100.0	100.0
Home Improvement	Low	3	18.8	10.1	131	13.7	8.0	22.8
	Moderate	2	12.5	18.4	100	10.4	14.8	17.9
	Middle	3	18.8	25.4	179	18.7	21.2	20.1
	Upper	8	50.0	42.8	549	57.2	50.1	39.1
	Unknown	0	0.0	3.4	0	0.0	6.0	0.0
	Total	16	100.0	100.0	959	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	22.8
	Moderate	0	0.0	0.0	0	0.0	0.0	17.9
	Middle	0	0.0	0.0	0	0.0	0.0	20.1
	Upper	0	0.0	0.0	0	0.0	0.0	39.1
	Unknown	4	100.0	100.0	4,136	100.0	100.0	0.0
	Total	4	100.0	100.0	4,136	100.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	6.8	0	0.0	4.3	22.8
	Moderate	0	0.0	21.4	0	0.0	15.4	17.9
	Middle	0	0.0	26.1	0	0.0	22.9	20.1
	Upper	0	0.0	45.5	0	0.0	57.4	39.1
	Unknown	0	0.0	0.2	0	0.0	0.1	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	12.4	0	0.0	9.7	22.8
	Moderate	0	0.0	19.6	0	0.0	17.7	17.9
	Middle	0	0.0	23.0	0	0.0	19.6	20.1
	Upper	0	0.0	40.8	0	0.0	44.8	39.1
	Unknown	0	0.0	4.2	0	0.0	8.1	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	22.8
	Moderate	0	0.0	2.5	0	0.0	2.6	17.9
	Middle	0	0.0	2.0	0	0.0	2.9	20.1
	Upper	0	0.0	2.5	0	0.0	1.2	39.1
	Unknown	0	0.0	93.1	0	0.0	93.3	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	42	15.7	11.4	3,167	8.2	5.4	22.8
	Moderate	79	29.5	24.8	8,426	21.7	16.7	17.9
	Middle	63	23.5	23.4	8,911	23.0	19.2	20.1
	Upper	78	29.1	29.4	13,565	34.9	31.8	39.1
	Unknown	6	2.2	10.9	4,747	12.2	26.9	0.0
	Total	268	100.0	100.0	38,816	100.0	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Lansing-East Lansing, MI MSA 29620									
Product Type		Bank & Aggregate Lending Comparison							
		2018							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg					
#	%	%	\$ 000s	\$ %	\$ %	%			
Small Business	Revenue	\$1 Million or Less	50	57.5	45.4	7,139	46.0	29.2	89.4
		Over \$1 Million or Unknown	37	42.5	54.6	8,370	54.0	70.8	10.6
		Total	87	100.0	100.0	15,509	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	41	47.1	91.0	2,215	14.3	30.5	
		\$100,001 - \$250,000	27	31.0	4.7	5,145	33.2	19.1	
		\$250,001 - \$1 Million	19	21.8	4.3	8,149	52.5	50.4	
		Total	87	100.0	100.0	15,509	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	26	52.0		1,163	16.3		
		\$100,001 - \$250,000	15	30.0		2,646	37.1		
		\$250,001 - \$1 Million	9	18.0		3,330	46.6		
		Total	50	100.0		7,139	100.0		
	Originations & Purchases								
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Central MI NonMSA

Assessment Area: 2018 Central MI Non MSA									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	1	2.7	320	0.9	114	35.6	7,662	21.1	
Moderate-income	4	10.8	3,567	9.8	975	27.3	6,413	17.6	
Middle-income	28	75.7	29,915	82.3	3,655	12.2	7,591	20.9	
Upper-income	3	8.1	2,564	7.1	213	8.3	14,700	40.4	
Unknown-income	1	2.7	0	0.0	0	0.0	0	0.0	
Total Assessment Area	37	100.0	36,366	100.0	4,957	13.6	36,366	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied			Rental		Vacant		
		#	%	%	#	%	#	%	
Low-income	2,443	32	0.1	1.3	1,984	81.2	427	17.5	
Moderate-income	8,292	3,650	8.8	44.0	2,827	34.1	1,815	21.9	
Middle-income	58,784	35,145	84.4	59.8	10,246	17.4	13,393	22.8	
Upper-income	5,021	2,792	6.7	55.6	1,796	35.8	433	8.6	
Unknown-income	6	0	0.0	0.0	6	100.0	0	0.0	
Total Assessment Area	74,546	41,619	100.0	55.8	16,859	22.6	16,068	21.6	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#	%
Low-income	126	2.4	110	2.3	14	3.4	2	1.9	
Moderate-income	482	9.2	433	9.2	38	9.2	11	10.2	
Middle-income	4,119	78.9	3,711	79.0	320	77.1	88	81.5	
Upper-income	476	9.1	430	9.2	39	9.4	7	6.5	
Unknown-income	16	0.3	12	0.3	4	1.0	0	0.0	
Total Assessment Area	5,219	100.0	4,696	100.0	415	100.0	108	100.0	
	Percentage of Total Businesses:			90.0		8.0		2.1	
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#	%
Low-income	2	0.4	2	0.5	0	0.0	0	0.0	
Moderate-income	8	1.8	8	1.8	0	0.0	0	0.0	
Middle-income	422	93.8	411	93.8	8	88.9	3	100.0	
Upper-income	18	4.0	17	3.9	1	11.1	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	450	100.0	438	100.0	9	100.0	3	100.0	
	Percentage of Total Farms:			97.3		2.0		0.7	
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
Note: Percentages may not add to 100.0 percent due to rounding									

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2018 Central MI Non MSA							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2018					
		Count Bank		Agg	Dollar Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	0	0.0	0.2	0	0.0	0.2
	Moderate	9	12.3	8.6	1,295	11.4	8.1
	Middle	61	83.6	84.1	9,659	84.8	83.8
	Upper	3	4.1	7.1	436	3.8	7.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		73	100.0	100.0	11,390	100.0
Refinance	Low	0	0.0	0.1	0	0.0	0.1
	Moderate	7	22.6	7.0	867	26.4	7.2
	Middle	24	77.4	87.3	2,412	73.6	85.8
	Upper	0	0.0	5.6	0	0.0	6.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		31	100.0	100.0	3,279	100.0
Home Improvement	Low	0	0.0	0.4	0	0.0	0.1
	Moderate	5	38.5	11.3	189	25.6	10.1
	Middle	7	53.8	85.5	458	62.1	87.4
	Upper	1	7.7	2.8	90	12.2	2.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		13	100.0	100.0	737	100.0
Multi-Family	Low	0	0.0	4.0	0	0.0	2.0
	Moderate	0	0.0	12.0	0	0.0	0.9
	Middle	0	0.0	68.0	0	0.0	93.6
	Upper	0	0.0	16.0	0	0.0	3.5
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	12.7	0	0.0	12.2
	Middle	0	0.0	86.1	0	0.0	86.2
	Upper	0	0.0	1.3	0	0.0	1.6
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	8.4	0	0.0	8.6
	Middle	0	0.0	85.4	0	0.0	85.3
	Upper	0	0.0	6.2	0	0.0	6.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	1.2	0	0.0	0.0
	Moderate	0	0.0	9.3	0	0.0	8.5
	Middle	0	0.0	82.6	0	0.0	82.7
	Upper	0	0.0	7.0	0	0.0	8.7
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	0	0.0	0.2	0	0.0	0.3
	Moderate	21	17.9	8.4	2,351	15.3	7.3
	Middle	92	78.6	85.0	12,529	81.3	85.4
	Upper	4	3.4	6.3	526	3.4	6.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		117	100.0	100.0	15,406	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Central MI Non MSA								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	%		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	0	0.0	1.9	0	0.0	4.7	2.4
	Moderate	3	18.8	5.7	389	21.1	5.0	9.2
	Middle	10	62.5	79.8	1,065	57.8	75.2	78.9
	Upper	3	18.8	11.5	388	21.1	14.9	9.1
	Unknown	0	0.0	0.1	0	0.0	0.0	0.3
	Tr Unknown			1.1			0.2	
	Total	16	100.0	100.0	1,842	100.0	100.0	100.0
Originations & Purchases 2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Central MI Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	4	5.5	8.4	302	2.7	5.0	21.1
	Moderate	16	21.9	21.2	1,678	14.7	15.8	17.6
	Middle	23	31.5	23.4	2,751	24.2	22.3	20.9
	Upper	28	38.4	34.9	4,832	42.4	44.9	40.4
	Unknown	2	2.7	12.1	1,827	16.0	12.0	0.0
	Total	73	100.0	100.0	11,390	100.0	100.0	100.0
Refinance	Low	5	16.1	9.4	355	10.8	5.9	21.1
	Moderate	8	25.8	16.5	735	22.4	13.4	17.6
	Middle	6	19.4	24.6	707	21.6	24.4	20.9
	Upper	12	38.7	33.8	1,482	45.2	41.6	40.4
	Unknown	0	0.0	15.7	0	0.0	14.7	0.0
	Total	31	100.0	100.0	3,279	100.0	100.0	100.0
Home Improvement	Low	1	7.7	6.5	30	4.1	4.9	21.1
	Moderate	4	30.8	19.4	128	17.4	17.3	17.6
	Middle	4	30.8	20.6	209	28.4	19.4	20.9
	Upper	4	30.8	51.2	370	50.2	55.3	40.4
	Unknown	0	0.0	2.4	0	0.0	3.1	0.0
	Total	13	100.0	100.0	737	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	21.1
	Moderate	0	0.0	0.0	0	0.0	0.0	17.6
	Middle	0	0.0	0.0	0	0.0	0.0	20.9
	Upper	0	0.0	8.0	0	0.0	4.7	40.4
	Unknown	0	0.0	92.0	0	0.0	95.3	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	8.9	0	0.0	5.5	21.1
	Moderate	0	0.0	15.2	0	0.0	12.6	17.6
	Middle	0	0.0	20.3	0	0.0	17.5	20.9
	Upper	0	0.0	54.4	0	0.0	61.2	40.4
	Unknown	0	0.0	1.3	0	0.0	3.2	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	11.2	0	0.0	10.6	21.1
	Moderate	0	0.0	19.1	0	0.0	13.4	17.6
	Middle	0	0.0	24.2	0	0.0	21.6	20.9
	Upper	0	0.0	41.0	0	0.0	47.6	40.4
	Unknown	0	0.0	4.5	0	0.0	6.8	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	21.1
	Moderate	0	0.0	4.7	0	0.0	5.1	17.6
	Middle	0	0.0	2.3	0	0.0	1.1	20.9
	Upper	0	0.0	2.3	0	0.0	0.0	40.4
	Unknown	0	0.0	90.7	0	0.0	93.8	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	10	8.5	8.5	687	4.5	4.7	21.1
	Moderate	28	23.9	19.0	2,541	16.5	13.4	17.6
	Middle	33	28.2	22.9	3,667	23.8	20.0	20.9
	Upper	44	37.6	35.4	6,684	43.4	39.9	40.4
	Unknown	2	1.7	14.2	1,827	11.9	22.0	0.0
	Total	117	100.0	100.0	15,406	100.0	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Central MI Non MSA									
Product Type		Bank & Aggregate Lending Comparison							
		2018							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg	%				
#	%	%	\$ 000s	\$ %	\$ %	%			
Small Business	Revenue	\$1 Million or Less	7	43.8	47.2	647	35.1	43.5	90.0
		Over \$1 Million or Unknown	9	56.3	52.8	1,195	64.9	56.5	10.0
		Total	16	100.0	100.0	1,842	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	10	62.5	85.5	557	30.2	25.6	
		\$100,001 - \$250,000	5	31.3	8.0	910	49.4	21.4	
		\$250,001 - \$1 Million	1	6.3	6.5	375	20.4	53.0	
		Total	16	100.0	100.0	1,842	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	5	71.4		242	37.4		
		\$100,001 - \$250,000	2	28.6		405	62.6		
		\$250,001 - \$1 Million	0	0.0		0	0.0		
Total		7	100.0		647	100.0			

Originations & Purchases
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Eastern MI NonMSA

Assessment Area: 2018 Eastern MI Non MSA									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	6,364	18.3	
Moderate-income	1	2.5	986	2.8	105	10.6	7,078	20.4	
Middle-income	36	90.0	33,696	97.2	3,503	10.4	7,783	22.4	
Upper-income	0	0.0	0	0.0	0	0.0	13,457	38.8	
Unknown-income	3	7.5	0	0.0	0	0.0	0	0.0	
Total Assessment Area	40	100.0	34,682	100.0	3,608	10.4	34,682	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied		Rental		Vacant			
		#	%	%	#	%	#	%	
Low-income	0	0	0.0	0.0	0	0.0	0	0.0	
Moderate-income	1,854	1,024	2.5	55.2	586	31.6	244	13.2	
Middle-income	66,218	40,585	97.5	61.3	9,194	13.9	16,439	24.8	
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0	
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0	
Total Assessment Area	68,072	41,609	100.0	61.1	9,780	14.4	16,683	24.5	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	272	5.5	230	5.2	38	10.3	4	2.9	
Middle-income	4,657	94.5	4,192	94.8	331	89.7	134	97.1	
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	4,929	100.0	4,422	100.0	369	100.0	138	100.0	
			Percentage of Total Businesses:		89.7		7.5		2.8
	Total Farms by Tract	Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate-income	1	0.1	1	0.1	0	0.0	0	0.0	
Middle-income	914	99.9	895	99.9	17	100.0	2	100.0	
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0	
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	915	100.0	896	100.0	17	100.0	2	100.0	
			Percentage of Total Farms:		97.9		1.9		0.2
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2018 Eastern MI Non MSA							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2018			Dollar		
		Count Bank		Agg	Bank \$ (000s)	Agg \$ %	
		#	%	%	\$ %	%	
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	4	8.0	3.3	503	9.0	2.1
	Middle	46	92.0	96.7	5,070	91.0	97.9
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		50	100.0	100.0	5,573	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	2.6	0	0.0	1.6
	Middle	15	100.0	97.4	1,172	100.0	98.4
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		15	100.0	100.0	1,172	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	4.2	0	0.0	2.7
	Middle	12	100.0	95.8	528	100.0	97.3
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		12	100.0	100.0	528	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	40.0	0	0.0	90.2
	Middle	0	0.0	60.0	0	0.0	9.8
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	2.5
	Middle	0	0.0	100.0	0	0.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.8	0	0.0	0.2
	Middle	0	0.0	99.2	0	0.0	99.8
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	2.5
	Middle	0	0.0	100.0	0	0.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	4	5.2	2.9	503	6.9	4.1
	Middle	73	94.8	97.1	6,770	93.1	95.9
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		77	100.0	100.0	7,273	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Eastern MI Non MSA								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count			Dollar			
		Bank	Agg	Agg	Bank	Agg	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	1	3.7	4.9	25	0.6	6.7	5.5
	Middle	26	96.3	93.4	4,177	99.4	92.6	94.5
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			1.7			0.7	
	Total	27	100.0	100.0	4,202	100.0	100.0	100.0
Originations & Purchases 2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Eastern MI Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison 2018						Families by Family Income %
		Count Bank		Agg %	Dollar Bank		Agg \$ %	
		#	%		\$(000s)	\$ %		
Home Purchase	Low	9	18.0	11.3	495	8.9	6.8	18.3
	Moderate	14	28.0	23.3	1,027	18.4	17.4	20.4
	Middle	9	18.0	22.1	1,002	18.0	21.1	22.4
	Upper	18	36.0	33.2	3,049	54.7	45.4	38.8
	Unknown	0	0.0	10.0	0	0.0	9.3	0.0
	Total	50	100.0	100.0	5,573	100.0	100.0	100.0
Refinance	Low	2	13.3	10.3	109	9.3	7.0	18.3
	Moderate	3	20.0	19.6	197	16.8	14.7	20.4
	Middle	4	26.7	27.9	296	25.3	27.3	22.4
	Upper	6	40.0	34.1	570	48.6	41.9	38.8
	Unknown	0	0.0	8.1	0	0.0	9.0	0.0
	Total	15	100.0	100.0	1,172	100.0	100.0	100.0
Home Improvement	Low	2	16.7	14.7	48	9.1	8.7	18.3
	Moderate	1	8.3	14.0	20	3.8	10.2	20.4
	Middle	5	41.7	26.6	228	43.2	25.6	22.4
	Upper	4	33.3	44.1	232	43.9	54.3	38.8
	Unknown	0	0.0	0.7	0	0.0	1.2	0.0
	Total	12	100.0	100.0	528	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	18.3
	Moderate	0	0.0	0.0	0	0.0	0.0	20.4
	Middle	0	0.0	0.0	0	0.0	0.0	22.4
	Upper	0	0.0	20.0	0	0.0	2.1	38.8
	Unknown	0	0.0	80.0	0	0.0	97.9	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	17.5	0	0.0	8.1	18.3
	Moderate	0	0.0	31.6	0	0.0	28.8	20.4
	Middle	0	0.0	19.3	0	0.0	23.7	22.4
	Upper	0	0.0	29.8	0	0.0	38.5	38.8
	Unknown	0	0.0	1.8	0	0.0	0.8	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	8.3	0	0.0	6.2	18.3
	Moderate	0	0.0	26.7	0	0.0	25.5	20.4
	Middle	0	0.0	31.7	0	0.0	29.5	22.4
	Upper	0	0.0	32.5	0	0.0	38.7	38.8
	Unknown	0	0.0	0.8	0	0.0	0.2	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	3.2	0	0.0	3.0	18.3
	Moderate	0	0.0	0.0	0	0.0	0.0	20.4
	Middle	0	0.0	1.6	0	0.0	0.0	22.4
	Upper	0	0.0	3.2	0	0.0	1.7	38.8
	Unknown	0	0.0	91.9	0	0.0	95.3	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	13	16.9	11.0	652	9.0	6.6	18.3
	Moderate	18	23.4	21.4	1,244	17.1	16.1	20.4
	Middle	18	23.4	23.8	1,526	21.0	22.3	22.4
	Upper	28	36.4	33.2	3,851	52.9	42.6	38.8
	Unknown	0	0.0	10.5	0	0.0	12.3	0.0
	Total	77	100.0	100.0	7,273	100.0	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Eastern MI Non MSA									
Product Type		Bank & Aggregate Lending Comparison							
		2018							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg	%				
#	%	%	\$ 000s	\$ %	\$ %	%			
Small Business	Revenue	\$1 Million or Less	17	63.0	48.3	1,763	42.0	38.1	89.7
		Over \$1 Million or Unknown	10	37.0	51.7	2,439	58.0	61.9	10.3
		Total	27	100.0	100.0	4,202	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	16	59.3	94.2	692	16.5	38.9	
		\$100,001 - \$250,000	7	25.9	3.1	1,229	29.2	16.3	
		\$250,001 - \$1 Million	4	14.8	2.8	2,281	54.3	44.8	
		Total	27	100.0	100.0	4,202	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	15	88.2		642	36.4		
		\$100,001 - \$250,000	1	5.9		207	11.7		
		\$250,001 - \$1 Million	1	5.9		914	51.8		
		Total	17	100.0		1,763	100.0		
	Originations & Purchases								
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Northwest MI NonMSA

Assessment Area: 2018 Northwest MI Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	3,674	12.7
Moderate-income	1	4.2	1,615	5.6	341	21.1	4,033	13.9
Middle-income	8	33.3	11,064	38.1	841	7.6	6,170	21.3
Upper-income	13	54.2	16,337	56.3	728	4.5	15,139	52.2
Unknown-income	2	8.3	0	0.0	0	0.0	0	0.0
Total Assessment Area	24	100.0	29,016	100.0	1,910	6.6	29,016	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	3,951	1,506	4.4	38.1	2,106	53.3	339	8.6
Middle-income	20,809	13,102	37.9	63.0	3,642	17.5	4,065	19.5
Upper-income	32,507	19,978	57.8	61.5	3,982	12.2	8,547	26.3
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	57,267	34,586	100.0	60.4	9,730	17.0	12,951	22.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	733	9.3	626	8.8	102	15.4	5	5.4
Middle-income	3,558	45.3	3,154	44.5	356	53.6	48	51.6
Upper-income	3,560	45.3	3,314	46.7	206	31.0	40	43.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	7,851	100.0	7,094	100.0	664	100.0	93	100.0
	Percentage of Total Businesses:		90.4		8.5		1.2	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1	0.3	1	0.3	0	0.0	0	0.0
Middle-income	133	42.4	131	42.8	2	25.0	0	0.0
Upper-income	180	57.3	174	56.9	6	75.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	314	100.0	306	100.0	8	100.0	0	0.0
	Percentage of Total Farms:		97.5		2.5		0.0	

2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2018 Northwest MI Non MSA							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2018			Dollar		
		Count Bank		Agg	Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	7	4.8	3.9	1,126	3.3	2.0
	Middle	51	34.9	42.1	8,483	25.1	36.5
	Upper	88	60.3	53.9	24,176	71.6	61.5
	Unknown	0	0.0	0.1	0	0.0	0.1
	Total		146	100.0	100.0	33,785	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	2.1	0	0.0	1.3
	Middle	16	39.0	34.9	3,641	37.9	32.1
	Upper	25	61.0	63.0	5,971	62.1	66.6
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		41	100.0	100.0	9,612	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	1.7	0	0.0	1.0
	Middle	6	27.3	40.6	276	10.4	36.9
	Upper	16	72.7	57.7	2,386	89.6	62.1
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		22	100.0	100.0	2,662	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	15.4	0	0.0	15.0
	Middle	0	0.0	38.5	0	0.0	5.5
	Upper	0	0.0	46.2	0	0.0	79.6
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	1.1	0	0.0	0.5
	Middle	0	0.0	32.0	0	0.0	24.8
	Upper	0	0.0	66.9	0	0.0	74.7
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	2.3	0	0.0	0.8
	Middle	0	0.0	37.6	0	0.0	24.3
	Upper	0	0.0	60.2	0	0.0	74.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	4.4
	Middle	0	0.0	44.4	0	0.0	27.9
	Upper	0	0.0	55.6	0	0.0	72.1
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	7	3.3	2.9	1,126	2.4	3.8
	Middle	73	34.9	38.9	12,400	26.9	29.7
	Upper	129	61.7	58.2	32,533	70.6	66.5
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		209	100.0	100.0	46,059	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Northwest MI Non MSA								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	Agg		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	37	20.9	10.3	7,059	20.3	14.2	9.3
	Middle	77	43.5	44.5	16,381	47.2	47.7	45.3
	Upper	63	35.6	43.1	11,257	32.4	37.5	45.3
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			2.2			0.6	
	Total	177	100.0	100.0	34,697	100.0	100.0	100.0
Originations & Purchases 2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans							
Assessment Area: 2018 Northwest MI Non MSA							
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %
		2018		2018			
		Count Bank		Agg	Dollar Bank		
		#	%	%	\$(000s)	\$ %	\$ %
Home Purchase	Low	2	1.4	1.8	194	0.6	1.1
	Moderate	19	13.0	12.5	2,672	7.9	7.4
	Middle	17	11.6	22.1	2,871	8.5	16.2
	Upper	108	74.0	55.1	28,048	83.0	67.3
	Unknown	0	0.0	8.5	0	0.0	8.1
	Total		146	100.0	100.0	33,785	100.0
Refinance	Low	0	0.0	4.8	0	0.0	2.2
	Moderate	7	17.1	15.0	858	8.9	9.5
	Middle	6	14.6	21.1	1,041	10.8	15.2
	Upper	28	68.3	51.9	7,713	80.2	65.6
	Unknown	0	0.0	7.2	0	0.0	7.5
	Total		41	100.0	100.0	9,612	100.0
Home Improvement	Low	0	0.0	3.4	0	0.0	2.1
	Moderate	0	0.0	13.4	0	0.0	8.4
	Middle	1	4.5	18.0	50	1.9	11.0
	Upper	21	95.5	62.9	2,612	98.1	76.1
	Unknown	0	0.0	2.3	0	0.0	2.4
	Total		22	100.0	100.0	2,662	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	0	0.0	0.0	0	0.0	0.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	100.0	0	0.0	100.0
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	2.5	0	0.0	1.4
	Moderate	0	0.0	12.4	0	0.0	6.1
	Middle	0	0.0	21.1	0	0.0	13.7
	Upper	0	0.0	61.1	0	0.0	74.4
	Unknown	0	0.0	2.9	0	0.0	4.3
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	3.0	0	0.0	1.4
	Moderate	0	0.0	12.0	0	0.0	5.6
	Middle	0	0.0	16.5	0	0.0	9.6
	Upper	0	0.0	63.9	0	0.0	73.0
	Unknown	0	0.0	4.5	0	0.0	10.4
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	2.8	0	0.0	1.6
	Middle	0	0.0	0.0	0	0.0	0.0
	Upper	0	0.0	5.6	0	0.0	0.0
	Unknown	0	0.0	91.7	0	0.0	98.3
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	2	1.0	3.0	194	0.4	1.2
	Moderate	26	12.4	13.2	3,530	7.7	6.6
	Middle	24	11.5	20.9	3,962	8.6	12.9
	Upper	157	75.1	54.8	38,373	83.3	56.1
	Unknown	0	0.0	8.1	0	0.0	23.2
	Total		209	100.0	100.0	46,059	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Northwest MI Non MSA									
Product Type		Bank & Aggregate Lending Comparison							
		2018							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg	%				
#	%	%	\$ 000s	\$ %	\$ %	%			
Small Business	Revenue	\$1 Million or Less	101	57.1	46.4	14,197	40.9	37.1	90.4
		Over \$1 Million or Unknown	76	42.9	53.6	20,500	59.1	62.9	9.6
		Total	177	100.0	100.0	34,697	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	93	52.5	89.6	5,072	14.6	27.3	
		\$100,001 - \$250,000	46	26.0	5.4	8,175	23.6	19.0	
		\$250,001 - \$1 Million	38	21.5	5.0	21,450	61.8	53.7	
		Total	177	100.0	100.0	34,697	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	62	61.4		3,237	22.8		
		\$100,001 - \$250,000	25	24.8		4,175	29.4		
		\$250,001 - \$1 Million	14	13.9		6,785	47.8		
		Total	101	100.0		14,197	100.0		
	Originations & Purchases								
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Appendix C - 2018 Demographic and Lending Data Limited Scope Reviews

Bay City, MI MSA #13020

Assessment Area: 2018 Bay City, MI MSA 13020								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	1	3.7	272	1.0	118	43.4	5,437	19.5
Moderate-income	7	25.9	5,623	20.2	1,060	18.9	5,036	18.1
Middle-income	12	44.4	13,793	49.5	1,436	10.4	6,186	22.2
Upper-income	6	22.2	8,181	29.4	355	4.3	11,210	40.2
Unknown-income	1	3.7	0	0.0	0	0.0	0	0.0
Total Assessment Area	27	100.0	27,869	100.0	2,969	10.7	27,869	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	640	220	0.6	34.4	360	56.3	60	9.4
Moderate-income	11,179	6,729	19.9	60.2	3,112	27.8	1,338	12.0
Middle-income	22,625	17,058	50.4	75.4	3,611	16.0	1,956	8.6
Upper-income	13,613	9,859	29.1	72.4	2,616	19.2	1,138	8.4
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	48,057	33,866	100.0	70.5	9,699	20.2	4,492	9.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	63	1.7	53	1.6	10	3.2	0	0.0
Moderate-income	988	27.4	887	27.3	93	29.6	8	19.5
Middle-income	1,618	44.9	1,460	45.0	135	43.0	23	56.1
Upper-income	933	25.9	847	26.1	76	24.2	10	24.4
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	3,602	100.0	3,247	100.0	314	100.0	41	100.0
	Percentage of Total Businesses:			90.1		8.7		1.1
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	1	0.4	1	0.5	0	0.0	0	0.0
Moderate-income	5	2.2	5	2.3	0	0.0	0	0.0
Middle-income	157	70.4	155	70.1	1	100.0	1	100.0
Upper-income	60	26.9	60	27.1	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	223	100.0	221	100.0	1	100.0	1	100.0
	Percentage of Total Farms:			99.1		0.4		0.4
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Bay City, MI MSA 13020								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2018			Dollar			
		Count Bank		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	0.9	0	0.0	0.6	0.6
	Moderate	16	24.6	23.8	1,285	16.5	17.0	19.9
	Middle	27	41.5	45.5	3,242	41.5	46.0	50.4
	Upper	22	33.8	29.8	3,283	42.0	36.4	29.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		65	100.0	100.0	7,810	100.0	100.0
Refinance	Low	0	0.0	0.5	0	0.0	0.4	0.6
	Moderate	4	23.5	16.8	285	24.3	13.1	19.9
	Middle	11	64.7	50.2	734	62.7	49.6	50.4
	Upper	2	11.8	32.5	152	13.0	36.8	29.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		17	100.0	100.0	1,171	100.0	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0	0.6
	Moderate	1	14.3	16.7	46	11.4	11.2	19.9
	Middle	4	57.1	48.2	232	57.6	51.6	50.4
	Upper	2	28.6	35.1	125	31.0	37.2	29.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		7	100.0	100.0	403	100.0	100.0
Multi-Family	Low	0	0.0	14.3	0	0.0	0.7	Multi-Family 2.4
	Moderate	0	0.0	14.3	0	0.0	0.3	28.4
	Middle	0	0.0	42.9	0	0.0	78.4	36.5
	Upper	0	0.0	28.6	0	0.0	20.7	32.7
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	0.6
	Moderate	0	0.0	16.3	0	0.0	25.6	19.9
	Middle	0	0.0	46.9	0	0.0	35.0	50.4
	Upper	0	0.0	36.7	0	0.0	39.4	29.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	1.7	0	0.0	0.9	0.6
	Moderate	0	0.0	19.7	0	0.0	14.6	19.9
	Middle	0	0.0	45.3	0	0.0	38.1	50.4
	Upper	0	0.0	33.3	0	0.0	46.4	29.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	0.6
	Moderate	0	0.0	26.1	0	0.0	18.7	19.9
	Middle	0	0.0	46.7	0	0.0	48.9	50.4
	Upper	0	0.0	27.2	0	0.0	32.4	29.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	0	0.0	0.8	0	0.0	0.5	0.6
	Moderate	21	23.6	21.4	1,616	17.2	14.7	19.9
	Middle	42	47.2	46.9	4,208	44.8	49.3	50.4
	Upper	26	29.2	30.9	3,560	37.9	35.4	29.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		89	100.0	100.0	9,384	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Bay City, MI MSA 13020								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	Agg		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	0	0.0	1.2	0	0.0	0.2	1.7
	Moderate	11	55.0	25.8	1,597	60.5	24.3	27.4
	Middle	6	30.0	41.5	562	21.3	39.0	44.9
	Upper	3	15.0	30.6	480	18.2	36.2	25.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			0.9			0.3	
	Total	20	100.0	100.0	2,639	100.0	100.0	100.0
Originations & Purchases 2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Bay City, MI MSA 13020								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	4	6.2	13.3	203	2.6	7.1	19.5
	Moderate	16	24.6	25.7	1,134	14.5	18.7	18.1
	Middle	21	32.3	24.4	2,651	33.9	24.0	22.2
	Upper	23	35.4	26.3	3,746	48.0	39.7	40.2
	Unknown	1	1.5	10.2	76	1.0	10.6	0.0
	Total	65	100.0	100.0	7,810	100.0	100.0	100.0
Refinance	Low	4	23.5	12.1	186	15.9	6.8	19.5
	Moderate	3	17.6	21.3	146	12.5	14.4	18.1
	Middle	3	17.6	26.5	259	22.1	23.4	22.2
	Upper	7	41.2	32.6	580	49.5	44.5	40.2
	Unknown	0	0.0	7.5	0	0.0	10.9	0.0
	Total	17	100.0	100.0	1,171	100.0	100.0	100.0
Home Improvement	Low	0	0.0	7.9	0	0.0	4.1	19.5
	Moderate	0	0.0	16.7	0	0.0	12.2	18.1
	Middle	5	71.4	28.1	324	80.4	26.9	22.2
	Upper	2	28.6	43.9	79	19.6	52.2	40.2
	Unknown	0	0.0	3.5	0	0.0	4.7	0.0
	Total	7	100.0	100.0	403	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	19.5
	Moderate	0	0.0	0.0	0	0.0	0.0	18.1
	Middle	0	0.0	0.0	0	0.0	0.0	22.2
	Upper	0	0.0	0.0	0	0.0	0.0	40.2
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	10.2	0	0.0	4.1	19.5
	Moderate	0	0.0	24.5	0	0.0	20.6	18.1
	Middle	0	0.0	14.3	0	0.0	12.8	22.2
	Upper	0	0.0	49.0	0	0.0	60.7	40.2
	Unknown	0	0.0	2.0	0	0.0	1.7	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	11.1	0	0.0	5.1	19.5
	Moderate	0	0.0	20.5	0	0.0	22.3	18.1
	Middle	0	0.0	31.6	0	0.0	33.9	22.2
	Upper	0	0.0	33.3	0	0.0	34.3	40.2
	Unknown	0	0.0	3.4	0	0.0	4.3	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	19.5
	Moderate	0	0.0	0.0	0	0.0	0.0	18.1
	Middle	0	0.0	1.1	0	0.0	1.7	22.2
	Upper	0	0.0	1.1	0	0.0	2.6	40.2
	Unknown	0	0.0	97.8	0	0.0	95.7	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	8	9.0	12.0	389	4.1	6.1	19.5
	Moderate	19	21.3	22.9	1,280	13.6	15.7	18.1
	Middle	29	32.6	24.3	3,234	34.5	21.5	22.2
	Upper	32	36.0	28.5	4,405	46.9	37.1	40.2
	Unknown	1	1.1	12.2	76	0.8	19.7	0.0
	Total	89	100.0	100.0	9,384	100.0	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Bay City, MI MSA 13020									
Product Type		Bank & Aggregate Lending Comparison							
		2018							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg					
#	%	%	\$ 000s	\$ %	\$ %	%			
Small Business	Revenue	\$1 Million or Less	14	70.0	53.1	1,164	44.1	37.1	90.1
		Over \$1 Million or Unknown	6	30.0	46.9	1,475	55.9	62.9	9.9
		Total	20	100.0	100.0	2,639	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	14	70.0	92.6	720	27.3	37.7	
		\$100,001 - \$250,000	4	20.0	4.6	799	30.3	21.1	
		\$250,001 - \$1 Million	2	10.0	2.7	1,120	42.4	41.2	
		Total	20	100.0	100.0	2,639	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	12	85.7		564	48.5		
		\$100,001 - \$250,000	1	7.1		200	17.2		
		\$250,001 - \$1 Million	1	7.1		400	34.4		
		Total	14	100.0		1,164	100.0		
	Originations & Purchases								
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Flint, MI MSA #22420

Assessment Area: 2018 Flint, MI MSA 22420											
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income				
	#	%	#	%	#	%	#	%			
Low-income	20	15.3	10,926	10.2	5,076	46.5	25,191	23.6			
Moderate-income	28	21.4	17,635	16.5	5,354	30.4	16,425	15.4			
Middle-income	47	35.9	39,617	37.1	5,147	13.0	21,298	20.0			
Upper-income	34	26.0	38,469	36.1	1,978	5.1	43,733	41.0			
Unknown-income	2	1.5	0	0.0	0	0.0	0	0.0			
Total Assessment Area	131	100.0	106,647	100.0	17,555	16.5	106,647	100.0			
	Housing Units by Tract	Housing Types by Tract									
		Owner-Occupied		Rental		Vacant					
		#	%	#	%	#	%	#	%		
Low-income	25,965	9,778	8.5	37.7	9,208	35.5	6,979	26.9			
Moderate-income	40,574	17,059	14.9	42.0	14,236	35.1	9,279	22.9			
Middle-income	67,526	44,230	38.5	65.5	16,987	25.2	6,309	9.3			
Upper-income	57,113	43,756	38.1	76.6	10,014	17.5	3,343	5.9			
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0			
Total Assessment Area	191,178	114,823	100.0	60.1	50,445	26.4	25,910	13.6			
	Total Businesses by Tract	Businesses by Tract & Revenue Size									
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported					
		#	%	#	%	#	%	#	%		
Low-income	1,406	10.0	1,239	9.6	145	12.8	22	16.5			
Moderate-income	1,848	13.1	1,670	13.0	163	14.4	15	11.3			
Middle-income	6,072	43.0	5,469	42.6	549	48.4	54	40.6			
Upper-income	4,753	33.7	4,452	34.6	260	22.9	41	30.8			
Unknown-income	41	0.3	23	0.2	17	1.5	1	0.8			
Total Assessment Area	14,120	100.0	12,853	100.0	1,134	100.0	133	100.0			
	Total Farms by Tract	Percentage of Total Businesses:		91.0		8.0		0.9			
				Farms by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported					
	#	%	#	%	#	%	#	%			
Low-income	5	2.6	5	2.6	0	0.0	0	0.0			
Moderate-income	6	3.1	6	3.1	0	0.0	0	0.0			
Middle-income	75	38.5	75	39.1	0	0.0	0	0.0			
Upper-income	109	55.9	106	55.2	3	100.0	0	0.0			
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0			
Total Assessment Area	195	100.0	192	100.0	3	100.0	0	0.0			
	Percentage of Total Farms:		98.5		1.5		0.0				
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS											
Note: Percentages may not add to 100.0 percent due to rounding											

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Flint, MI MSA 22420								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2018			Dollar			
		Count Bank		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	1.6	0	0.0	0.7	8.5
	Moderate	6	10.7	5.1	351	3.1	3.1	14.9
	Middle	15	26.8	42.7	1,929	17.0	33.4	38.5
	Upper	35	62.5	50.5	9,089	79.9	62.9	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		56	100.0	100.0	11,369	100.0	100.0
Refinance	Low	0	0.0	0.6	0	0.0	0.2	8.5
	Moderate	0	0.0	4.2	0	0.0	2.0	14.9
	Middle	6	66.7	37.2	421	61.5	28.7	38.5
	Upper	3	33.3	58.1	264	38.5	69.1	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		9	100.0	100.0	685	100.0	100.0
Home Improvement	Low	0	0.0	2.1	0	0.0	1.1	8.5
	Moderate	0	0.0	6.7	0	0.0	4.8	14.9
	Middle	2	100.0	34.3	142	100.0	28.3	38.5
	Upper	0	0.0	56.9	0	0.0	65.8	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		2	100.0	100.0	142	100.0	100.0
Multi-Family	Low	0	0.0	11.8	0	0.0	1.1	14.8
	Moderate	0	0.0	5.9	0	0.0	2.8	24.3
	Middle	0	0.0	47.1	0	0.0	29.4	35.7
	Upper	0	0.0	35.3	0	0.0	66.7	25.2
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	1.3	0	0.0	0.5	8.5
	Moderate	0	0.0	4.2	0	0.0	1.9	14.9
	Middle	0	0.0	35.0	0	0.0	25.8	38.5
	Upper	0	0.0	59.5	0	0.0	71.8	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	3.7	0	0.0	1.6	8.5
	Moderate	0	0.0	6.0	0	0.0	4.4	14.9
	Middle	0	0.0	36.1	0	0.0	30.1	38.5
	Upper	0	0.0	54.2	0	0.0	63.9	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	4.3	0	0.0	2.0	8.5
	Moderate	0	0.0	12.9	0	0.0	6.8	14.9
	Middle	0	0.0	42.7	0	0.0	38.1	38.5
	Upper	0	0.0	40.1	0	0.0	53.1	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	0	0.0	1.5	0	0.0	0.6	8.5
	Moderate	6	9.0	5.1	351	2.9	2.9	14.9
	Middle	23	34.3	40.3	2,492	20.4	31.7	38.5
	Upper	38	56.7	53.0	9,353	76.7	64.8	38.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		67	100.0	100.0	12,196	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Flint, MI MSA 22420								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	Agg		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	0	0.0	7.1	0	0.0	7.0	10.0
	Moderate	0	0.0	9.6	0	0.0	10.9	13.1
	Middle	1	50.0	42.5	211	94.2	51.7	43.0
	Upper	1	50.0	39.4	13	5.8	30.0	33.7
	Unknown	0	0.0	0.2	0	0.0	0.1	0.3
	Tr Unknown			1.2			0.3	
	Total	2	100.0	100.0	224	100.0	100.0	100.0
Originations & Purchases								
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Flint, MI MSA 22420								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison 2018					Families by Family Income %	
		Count Bank		Agg	Dollar Bank			Agg
		#	%	%	\$(000s)	\$ %		\$ %
Home Purchase	Low	4	7.1	5.8	225	2.0	2.7	23.6
	Moderate	8	14.3	19.3	825	7.3	13.1	15.4
	Middle	6	10.7	25.1	622	5.5	22.5	20.0
	Upper	38	67.9	34.7	9,697	85.3	47.6	41.0
	Unknown	0	0.0	15.2	0	0.0	14.2	0.0
	Total	56	100.0	100.0	11,369	100.0	100.0	100.0
Refinance	Low	1	11.1	5.8	56	8.2	3.1	23.6
	Moderate	4	44.4	16.5	209	30.5	11.8	15.4
	Middle	1	11.1	24.4	110	16.1	21.2	20.0
	Upper	3	33.3	43.6	310	45.3	53.1	41.0
	Unknown	0	0.0	9.6	0	0.0	10.8	0.0
	Total	9	100.0	100.0	685	100.0	100.0	100.0
Home Improvement	Low	1	50.0	8.0	68	47.9	4.9	23.6
	Moderate	0	0.0	13.4	0	0.0	11.4	15.4
	Middle	0	0.0	24.4	0	0.0	21.5	20.0
	Upper	1	50.0	50.7	74	52.1	55.9	41.0
	Unknown	0	0.0	3.5	0	0.0	6.2	0.0
	Total	2	100.0	100.0	142	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	23.6
	Moderate	0	0.0	0.0	0	0.0	0.0	15.4
	Middle	0	0.0	0.0	0	0.0	0.0	20.0
	Upper	0	0.0	11.8	0	0.0	0.2	41.0
	Unknown	0	0.0	88.2	0	0.0	99.8	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	6.5	0	0.0	4.2	23.6
	Moderate	0	0.0	17.2	0	0.0	12.5	15.4
	Middle	0	0.0	23.0	0	0.0	17.6	20.0
	Upper	0	0.0	52.4	0	0.0	64.8	41.0
	Unknown	0	0.0	1.0	0	0.0	0.9	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	5.4	0	0.0	3.6	23.6
	Moderate	0	0.0	18.3	0	0.0	13.2	15.4
	Middle	0	0.0	23.8	0	0.0	17.5	20.0
	Upper	0	0.0	44.4	0	0.0	46.9	41.0
	Unknown	0	0.0	8.0	0	0.0	18.8	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.7	0	0.0	0.6	23.6
	Moderate	0	0.0	1.8	0	0.0	1.2	15.4
	Middle	0	0.0	3.6	0	0.0	3.7	20.0
	Upper	0	0.0	3.2	0	0.0	2.1	41.0
	Unknown	0	0.0	90.7	0	0.0	92.4	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	6	9.0	5.8	349	2.9	2.6	23.6
	Moderate	12	17.9	17.6	1,034	8.5	11.5	15.4
	Middle	7	10.4	24.2	732	6.0	19.9	20.0
	Upper	42	62.7	38.0	10,081	82.7	44.8	41.0
	Unknown	0	0.0	14.4	0	0.0	21.2	0.0
	Total	67	100.0	100.0	12,196	100.0	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Flint, MI MSA 22420									
Product Type		Bank & Aggregate Lending Comparison							
		2018							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg	%				
#	%	%	\$ 000s	\$ %	\$ %	%			
Small Business	Revenue	\$1 Million or Less	2	100.0	43.3	224	100.0	26.1	91.0
		Over \$1 Million or Unknown	0	0.0	56.7	0	0.0	73.9	9.0
		Total	2	100.0	100.0	224	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	1	50.0	93.2	13	5.8	34.9	
		\$100,001 - \$250,000	1	50.0	3.7	211	94.2	17.2	
		\$250,001 - \$1 Million	0	0.0	3.1	0	0.0	47.9	
		Total	2	100.0	100.0	224	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	1	50.0		13	5.8		
		\$100,001 - \$250,000	1	50.0		211	94.2		
		\$250,001 - \$1 Million	0	0.0		0	0.0		
Total		2	100.0		224	100.0			

Originations & Purchases
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Jackson, MI MSA #27100

Assessment Area: 2018 Jackson, MI MSA 27100								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	6	15.8	3,504	8.8	1,654	47.2	8,910	22.3
Moderate-income	9	23.7	7,028	17.6	1,361	19.4	6,996	17.5
Middle-income	14	36.8	20,124	50.4	1,772	8.8	8,057	20.2
Upper-income	8	21.1	9,274	23.2	371	4.0	15,967	40.0
Unknown-income	1	2.6	0	0.0	0	0.0	0	0.0
Total Assessment Area	38	100.0	39,930	100.0	5,158	12.9	39,930	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	6,780	2,485	5.7	36.7	3,214	47.4	1,081	15.9
Moderate-income	14,319	6,790	15.6	47.4	5,487	38.3	2,042	14.3
Middle-income	32,454	23,375	53.7	72.0	5,948	18.3	3,131	9.6
Upper-income	15,568	10,905	25.0	70.0	2,387	15.3	2,276	14.6
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	69,121	43,555	100.0	63.0	17,036	24.6	8,530	12.3
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	559	10.1	447	9.1	107	18.4	5	7.7
Moderate-income	1,549	27.9	1,307	26.7	229	39.5	13	20.0
Middle-income	2,262	40.8	2,059	42.0	165	28.4	38	58.5
Upper-income	1,168	21.1	1,080	22.0	79	13.6	9	13.8
Unknown-income	5	0.1	5	0.1	0	0.0	0	0.0
Total Assessment Area	5,543	100.0	4,898	100.0	580	100.0	65	100.0
		Percentage of Total Businesses:		88.4		10.5		1.2
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	1	0.5	1	0.5	0	0.0	0	0.0
Moderate-income	5	2.4	5	2.4	0	0.0	0	0.0
Middle-income	150	71.1	145	70.7	4	80.0	1	100.0
Upper-income	55	26.1	54	26.3	1	20.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	211	100.0	205	100.0	5	100.0	1	100.0
		Percentage of Total Farms:		97.2		2.4		0.5
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Jackson, MI MSA 27100								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2018			Dollar			
		Count Bank		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	0	0.0	4.2	0	0.0	1.8	5.7
	Moderate	3	13.0	17.0	155	4.8	10.9	15.6
	Middle	15	65.2	52.5	2,156	67.4	55.0	53.7
	Upper	5	21.7	26.2	888	27.8	32.3	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		23	100.0	100.0	3,199	100.0	100.0
Refinance	Low	0	0.0	1.9	0	0.0	0.7	5.7
	Moderate	1	12.5	12.9	91	11.1	9.8	15.6
	Middle	7	87.5	56.6	727	88.9	55.2	53.7
	Upper	0	0.0	28.7	0	0.0	34.3	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		8	100.0	100.0	818	100.0	100.0
Home Improvement	Low	0	0.0	6.8	0	0.0	3.2	5.7
	Moderate	0	0.0	14.2	0	0.0	10.3	15.6
	Middle	2	100.0	50.5	69	100.0	51.8	53.7
	Upper	0	0.0	28.5	0	0.0	34.8	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		2	100.0	100.0	69	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	Multi-Family 11.2
	Moderate	0	0.0	100.0	0	0.0	100.0	43.9
	Middle	0	0.0	0.0	0	0.0	0.0	29.0
	Upper	0	0.0	0.0	0	0.0	0.0	15.9
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	2.4	0	0.0	1.3	5.7
	Moderate	0	0.0	9.5	0	0.0	5.6	15.6
	Middle	0	0.0	56.2	0	0.0	61.1	53.7
	Upper	0	0.0	32.0	0	0.0	32.0	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	3.9	0	0.0	3.3	5.7
	Moderate	0	0.0	12.7	0	0.0	7.9	15.6
	Middle	0	0.0	55.8	0	0.0	56.8	53.7
	Upper	0	0.0	27.6	0	0.0	32.0	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	8.2	0	0.0	3.9	5.7
	Moderate	0	0.0	17.3	0	0.0	15.7	15.6
	Middle	0	0.0	46.9	0	0.0	50.3	53.7
	Upper	0	0.0	27.6	0	0.0	30.1	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	0	0.0	3.8	0	0.0	1.6	5.7
	Moderate	4	12.1	15.2	246	6.0	11.3	15.6
	Middle	24	72.7	53.5	2,952	72.2	54.5	53.7
	Upper	5	15.2	27.4	888	21.7	32.6	25.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		33	100.0	100.0	4,086	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Jackson, MI MSA 27100								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	Agg		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	0	0.0	11.1	0	0.0	25.8	10.1
	Moderate	1	50.0	24.9	514	79.7	26.5	27.9
	Middle	1	50.0	40.6	131	20.3	33.0	40.8
	Upper	0	0.0	22.5	0	0.0	14.5	21.1
	Unknown	0	0.0	0.0	0	0.0	0.0	0.1
	Tr Unknown			0.9			0.2	
	Total	2	100.0	100.0	645	100.0	100.0	100.0
Originations & Purchases 2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Jackson, MI MSA 27100								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison					Families by Family Income %	
		2018		2018				
		Count Bank		Agg	Dollar Bank			Agg
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	1	4.3	8.9	47	1.5	4.3	22.3
	Moderate	4	17.4	19.1	522	16.3	14.1	17.5
	Middle	8	34.8	27.6	891	27.9	25.8	20.2
	Upper	10	43.5	31.5	1,739	54.4	42.8	40.0
	Unknown	0	0.0	12.9	0	0.0	12.9	0.0
	Total		23	100.0	100.0	3,199	100.0	100.0
Refinance	Low	0	0.0	9.2	0	0.0	5.4	22.3
	Moderate	0	0.0	18.5	0	0.0	14.5	17.5
	Middle	4	50.0	23.9	391	47.8	23.1	20.2
	Upper	4	50.0	38.6	427	52.2	46.4	40.0
	Unknown	0	0.0	9.7	0	0.0	10.6	0.0
	Total		8	100.0	100.0	818	100.0	100.0
Home Improvement	Low	1	50.0	12.1	59	85.5	6.2	22.3
	Moderate	1	50.0	18.0	10	14.5	12.8	17.5
	Middle	0	0.0	25.8	0	0.0	22.1	20.2
	Upper	0	0.0	41.2	0	0.0	54.8	40.0
	Unknown	0	0.0	3.0	0	0.0	4.2	0.0
	Total		2	100.0	100.0	69	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	22.3
	Moderate	0	0.0	0.0	0	0.0	0.0	17.5
	Middle	0	0.0	0.0	0	0.0	0.0	20.2
	Upper	0	0.0	0.0	0	0.0	0.0	40.0
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	10.7	0	0.0	7.8	22.3
	Moderate	0	0.0	25.4	0	0.0	20.1	17.5
	Middle	0	0.0	23.1	0	0.0	23.6	20.2
	Upper	0	0.0	39.1	0	0.0	47.5	40.0
	Unknown	0	0.0	1.8	0	0.0	1.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	11.6	0	0.0	10.4	22.3
	Moderate	0	0.0	19.9	0	0.0	13.6	17.5
	Middle	0	0.0	25.4	0	0.0	21.3	20.2
	Upper	0	0.0	39.8	0	0.0	48.6	40.0
	Unknown	0	0.0	3.3	0	0.0	6.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	1.0	0	0.0	0.8	22.3
	Moderate	0	0.0	6.1	0	0.0	4.4	17.5
	Middle	0	0.0	4.1	0	0.0	2.7	20.2
	Upper	0	0.0	3.1	0	0.0	5.6	40.0
	Unknown	0	0.0	85.7	0	0.0	86.5	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	2	6.1	9.3	106	2.6	4.7	22.3
	Moderate	5	15.2	18.8	532	13.0	14.0	17.5
	Middle	12	36.4	25.7	1,282	31.4	24.3	20.2
	Upper	14	42.4	34.3	2,166	53.0	43.5	40.0
	Unknown	0	0.0	11.8	0	0.0	13.5	0.0
	Total		33	100.0	100.0	4,086	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Jackson, MI MSA 27100									
Product Type		Bank & Aggregate Lending Comparison							
		2018							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg					
#	%	%	\$ 000s	\$ %	\$ %	%			
Small Business	Revenue	\$1 Million or Less	1	50.0	43.0	131	20.3	24.1	88.4
		Over \$1 Million or Unknown	1	50.0	57.0	514	79.7	75.9	11.6
		Total	2	100.0	100.0	645	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	0	0.0	90.4	0	0.0	26.5	
		\$100,001 - \$250,000	1	50.0	4.7	131	20.3	17.9	
		\$250,001 - \$1 Million	1	50.0	4.9	514	79.7	55.6	
		Total	2	100.0	100.0	645	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0		0	0.0		
		\$100,001 - \$250,000	1	100.0		131	100.0		
		\$250,001 - \$1 Million	0	0.0		0	0.0		
		Total	1	100.0		131	100.0		

Originations & Purchases
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

Muskegon, MI MSA #34740

Assessment Area: 2018 Muskegon, MI MSA 34740										
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income			
	#	%	#	%	#	%	#	%		
Low-income	5	11.6	3,329	7.6	1,611	48.4	9,463	21.7		
Moderate-income	11	25.6	9,228	21.1	2,102	22.8	7,404	17.0		
Middle-income	14	32.6	17,533	40.1	1,992	11.4	9,013	20.6		
Upper-income	12	27.9	13,586	31.1	630	4.6	17,796	40.7		
Unknown-income	1	2.3	0	0.0	0	0.0	0	0.0		
Total Assessment Area	43	100.0	43,676	100.0	6,335	14.5	43,676	100.0		
	Housing Units by Tract	Housing Types by Tract								
		Owner-Occupied				Rental		Vacant		
		#	%	%	#	%	#	%		
Low-income	6,912	2,421	5.0	35.0	3,048	44.1	1,443	20.9		
Moderate-income	17,758	9,070	18.8	51.1	6,583	37.1	2,105	11.9		
Middle-income	26,965	20,263	41.9	75.1	3,873	14.4	2,829	10.5		
Upper-income	21,719	16,567	34.3	76.3	2,665	12.3	2,487	11.5		
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0		
Total Assessment Area	73,354	48,321	100.0	65.9	16,169	22.0	8,864	12.1		
	Total Businesses by Tract	Businesses by Tract & Revenue Size								
		Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#	%	
Low-income	488	8.5	402	7.9	85	14.4	1	1.7		
Moderate-income	1,226	21.3	1,016	19.9	192	32.5	18	30.5		
Middle-income	2,039	35.4	1,886	37.0	130	22.0	23	39.0		
Upper-income	2,000	34.8	1,800	35.3	183	31.0	17	28.8		
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0		
Total Assessment Area	5,753	100.0	5,104	100.0	590	100.0	59	100.0		
	Total Farms by Tract	Percentage of Total Businesses:				88.7		10.3		1.0
		Farms by Tract & Revenue Size								
		Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%		
Low-income	0	0.0	0	0.0	0	0.0	0	0.0		
Moderate-income	2	1.4	2	1.5	0	0.0	0	0.0		
Middle-income	92	64.8	91	68.4	1	11.1	0	0.0		
Upper-income	48	33.8	40	30.1	8	88.9	0	0.0		
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0		
Total Assessment Area	142	100.0	133	100.0	9	100.0	0	0.0		
	Percentage of Total Farms:				93.7		6.3		0.0	

2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2018 Muskegon, MI MSA 34740							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2018			Dollar		
		Count Bank		Agg	Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	1	2.9	2.5	74	1.3	1.0
	Moderate	8	23.5	20.4	615	10.5	13.0
	Middle	11	32.4	43.2	1,900	32.4	41.9
	Upper	14	41.2	33.9	3,274	55.8	41.8
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		34	100.0	100.0	5,863	100.0
Refinance	Low	1	6.3	1.6	65	2.6	0.7
	Moderate	1	6.3	13.1	44	1.7	9.3
	Middle	7	43.8	45.3	1,023	40.4	45.8
	Upper	7	43.8	40.0	1,401	55.3	44.1
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		16	100.0	100.0	2,533	100.0
Home Improvement	Low	0	0.0	1.2	0	0.0	0.6
	Moderate	0	0.0	12.2	0	0.0	8.9
	Middle	3	50.0	43.6	155	72.1	46.8
	Upper	3	50.0	43.1	60	27.9	43.7
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		6	100.0	100.0	215	100.0
Multi-Family	Low	0	0.0	10.5	0	0.0	1.3
	Moderate	0	0.0	31.6	0	0.0	17.5
	Middle	0	0.0	36.8	0	0.0	64.8
	Upper	0	0.0	21.1	0	0.0	16.4
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	1.8	0	0.0	0.7
	Moderate	0	0.0	12.7	0	0.0	8.4
	Middle	0	0.0	37.1	0	0.0	32.9
	Upper	0	0.0	48.4	0	0.0	58.1
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	3.7	0	0.0	1.4
	Moderate	0	0.0	15.7	0	0.0	12.1
	Middle	0	0.0	51.5	0	0.0	59.8
	Upper	0	0.0	29.1	0	0.0	26.6
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	4.7	0	0.0	2.2
	Moderate	0	0.0	22.7	0	0.0	18.8
	Middle	0	0.0	46.7	0	0.0	51.3
	Upper	0	0.0	26.0	0	0.0	27.7
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	2	3.6	2.2	139	1.6	1.0
	Moderate	9	16.1	17.4	659	7.7	12.0
	Middle	21	37.5	43.9	3,078	35.7	45.2
	Upper	24	42.9	36.5	4,735	55.0	41.9
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		56	100.0	100.0	8,611	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Muskegon, MI MSA 34740								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count		Agg	Dollar		Agg	
		Bank	%		Bank	Agg		
#	%	%	\$ (000s)	\$ %	\$ %	%		
Small Business	Low	5	19.2	9.5	512	7.8	16.9	8.5
	Moderate	3	11.5	26.0	503	7.6	25.5	21.3
	Middle	10	38.5	32.1	2,657	40.4	23.7	35.4
	Upper	8	30.8	31.9	2,912	44.2	33.8	34.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			0.5			0.1	
	Total	26	100.0	100.0	6,584	100.0	100.0	100.0
Originations & Purchases 2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Muskegon, MI MSA 34740								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		Count		Agg	Dollar		Agg	
		#	%		Bank	Bank		
					\$(000s)	\$ %	\$ %	
Home Purchase	Low	3	8.8	10.0	151	2.6	5.6	21.7
	Moderate	10	29.4	26.1	1,032	17.6	20.0	17.0
	Middle	4	11.8	23.1	493	8.4	22.6	20.6
	Upper	17	50.0	25.0	4,187	71.4	37.3	40.7
	Unknown	0	0.0	15.8	0	0.0	14.5	0.0
	Total		34	100.0	100.0	5,863	100.0	100.0
Refinance	Low	5	31.3	11.1	341	13.5	6.4	21.7
	Moderate	3	18.8	20.0	305	12.0	15.8	17.0
	Middle	0	0.0	25.2	0	0.0	23.4	20.6
	Upper	7	43.8	31.6	1,861	73.5	41.5	40.7
	Unknown	1	6.3	12.1	26	1.0	12.9	0.0
	Total		16	100.0	100.0	2,533	100.0	100.0
Home Improvement	Low	0	0.0	9.4	0	0.0	7.0	21.7
	Moderate	2	33.3	26.2	50	23.3	22.3	17.0
	Middle	1	16.7	23.2	38	17.7	20.8	20.6
	Upper	3	50.0	38.2	127	59.1	44.7	40.7
	Unknown	0	0.0	3.0	0	0.0	5.3	0.0
	Total		6	100.0	100.0	215	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	21.7
	Moderate	0	0.0	5.3	0	0.0	0.4	17.0
	Middle	0	0.0	0.0	0	0.0	0.0	20.6
	Upper	0	0.0	5.3	0	0.0	0.7	40.7
	Unknown	0	0.0	89.5	0	0.0	98.9	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose LOC	Low	0	0.0	11.3	0	0.0	5.7	21.7
	Moderate	0	0.0	18.6	0	0.0	13.6	17.0
	Middle	0	0.0	24.0	0	0.0	18.0	20.6
	Upper	0	0.0	45.7	0	0.0	62.5	40.7
	Unknown	0	0.0	0.5	0	0.0	0.2	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	11.9	0	0.0	7.5	21.7
	Moderate	0	0.0	21.6	0	0.0	20.1	17.0
	Middle	0	0.0	23.9	0	0.0	20.1	20.6
	Upper	0	0.0	35.8	0	0.0	40.8	40.7
	Unknown	0	0.0	6.7	0	0.0	11.5	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.7	0	0.0	0.7	21.7
	Moderate	0	0.0	2.7	0	0.0	2.4	17.0
	Middle	0	0.0	2.7	0	0.0	1.0	20.6
	Upper	0	0.0	3.3	0	0.0	1.7	40.7
	Unknown	0	0.0	90.7	0	0.0	94.1	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	8	14.3	10.1	492	5.7	5.7	21.7
	Moderate	15	26.8	23.3	1,387	16.1	18.1	17.0
	Middle	5	8.9	23.1	531	6.2	21.8	20.6
	Upper	27	48.2	28.3	6,175	71.7	37.8	40.7
	Unknown	1	1.8	15.2	26	0.3	16.7	0.0
	Total		56	100.0	100.0	8,611	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Muskegon, MI MSA 34740									
Product Type		Bank & Aggregate Lending Comparison							
		2018							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg					
#	%	%	\$ 000s	\$ %	\$ %	%			
Small Business	Revenue	\$1 Million or Less	8	30.8	44.6	1,443	21.9	25.1	88.7
		Over \$1 Million or Unknown	18	69.2	55.4	5,141	78.1	74.9	11.3
		Total	26	100.0	100.0	6,584	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	11	42.3	88.7	484	7.4	27.0	
		\$100,001 - \$250,000	5	19.2	5.5	731	11.1	18.2	
		\$250,001 - \$1 Million	10	38.5	5.8	5,369	81.5	54.8	
		Total	26	100.0	100.0	6,584	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	4	50.0		242	16.8		
		\$100,001 - \$250,000	3	37.5		381	26.4		
		\$250,001 - \$1 Million	1	12.5		820	56.8		
Total		8	100.0		1,443	100.0			
Originations & Purchases									
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Saginaw, MI MSA #40980

Assessment Area: 2018 Saginaw, MI MSA 40980								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	8	14.3	5,057	10.2	2,171	42.9	10,528	21.2
Moderate-income	10	17.9	5,406	10.9	1,601	29.6	8,487	17.1
Middle-income	27	48.2	26,132	52.6	2,497	9.6	10,283	20.7
Upper-income	11	19.6	13,094	26.4	427	3.3	20,391	41.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	56	100.0	49,689	100.0	6,696	13.5	49,689	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	10,651	4,369	7.8	41.0	4,079	38.3	2,203	20.7
Moderate-income	12,190	5,425	9.6	44.5	4,181	34.3	2,584	21.2
Middle-income	44,135	30,848	54.8	69.9	10,188	23.1	3,099	7.0
Upper-income	19,847	15,628	27.8	78.7	3,207	16.2	1,012	5.1
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	86,823	56,270	100.0	64.8	21,655	24.9	8,898	10.2
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	421	6.2	369	6.1	49	6.8	3	4.1
Moderate-income	835	12.3	720	12.0	105	14.6	10	13.7
Middle-income	3,587	52.7	3,180	52.9	364	50.8	43	58.9
Upper-income	1,961	28.8	1,745	29.0	199	27.8	17	23.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	6,804	100.0	6,014	100.0	717	100.0	73	100.0
		Percentage of Total Businesses:		88.4		10.5		1.1
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1	0.3	1	0.3	0	0.0	0	0.0
Middle-income	194	63.6	189	63.0	2	100.0	3	100.0
Upper-income	110	36.1	110	36.7	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	305	100.0	300	100.0	2	100.0	3	100.0
		Percentage of Total Farms:		98.4		0.7		1.0

2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Saginaw, MI MSA 40980								
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units	
		2018			Dollar			
		Count Bank		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	
Home Purchase	Low	1	1.6	0.9	24	0.4	0.3	7.8
	Moderate	5	7.8	3.3	275	4.2	2.1	9.6
	Middle	39	60.9	61.0	3,093	47.0	51.0	54.8
	Upper	19	29.7	34.7	3,194	48.5	46.6	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		64	100.0	100.0	6,586	100.0	100.0
Refinance	Low	0	0.0	1.3	0	0.0	0.4	7.8
	Moderate	1	5.3	2.8	30	1.7	1.2	9.6
	Middle	12	63.2	59.8	948	54.6	52.7	54.8
	Upper	6	31.6	36.1	758	43.7	45.7	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		19	100.0	100.0	1,736	100.0	100.0
Home Improvement	Low	0	0.0	3.4	0	0.0	1.2	7.8
	Moderate	0	0.0	6.9	0	0.0	3.2	9.6
	Middle	4	80.0	57.5	209	95.9	52.5	54.8
	Upper	1	20.0	32.2	9	4.1	43.0	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		5	100.0	100.0	218	100.0	100.0
Multi-Family	Low	0	0.0	4.3	0	0.0	0.9	15.6
	Moderate	0	0.0	21.7	0	0.0	5.6	15.7
	Middle	1	100.0	56.5	218	100.0	78.0	52.9
	Upper	0	0.0	17.4	0	0.0	15.5	15.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		1	100.0	100.0	218	100.0	100.0
Other Purpose LOC	Low	0	0.0	2.3	0	0.0	1.1	7.8
	Moderate	0	0.0	6.2	0	0.0	3.0	9.6
	Middle	0	0.0	48.8	0	0.0	47.0	54.8
	Upper	0	0.0	42.6	0	0.0	48.9	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	3.4	0	0.0	0.9	7.8
	Moderate	0	0.0	2.8	0	0.0	1.3	9.6
	Middle	0	0.0	53.1	0	0.0	46.1	54.8
	Upper	0	0.0	40.7	0	0.0	51.7	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	11.5	0	0.0	7.5	7.8
	Moderate	0	0.0	16.2	0	0.0	9.9	9.6
	Middle	0	0.0	55.4	0	0.0	58.4	54.8
	Upper	0	0.0	16.9	0	0.0	24.2	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		0	0.0	100.0	0	0.0	100.0
HMDA Totals	Low	1	1.1	1.7	24	0.3	0.6	7.8
	Moderate	6	6.7	4.0	305	3.5	2.2	9.6
	Middle	56	62.9	59.5	4,468	51.0	53.0	54.8
	Upper	26	29.2	34.8	3,961	45.2	44.2	27.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total		89	100.0	100.0	8,758	100.0	100.0
Originations & Purchases								
2016 FFIEC Census Data								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Saginaw, MI MSA 40980								
	Tract Income Levels	Bank & Aggregate Lending Comparison						Total Businesses
		2018						
		Count			Dollar			
		Bank	Agg	Agg	Bank	Agg	Agg	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	0	0.0	5.2	0	0.0	5.4	6.2
	Moderate	3	14.3	9.1	345	6.6	10.7	12.3
	Middle	18	85.7	54.4	4,895	93.4	53.8	52.7
	Upper	0	0.0	30.9	0	0.0	30.0	28.8
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown			0.4			0.1	
	Total	21	100.0	100.0	5,240	100.0	100.0	100.0
Originations & Purchases								
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Saginaw, MI MSA 40980								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		Count Bank		Agg	Dollar Bank		Agg	
		#	%	%	\$(000s)	\$ %	\$ %	
Home Purchase	Low	10	15.6	8.2	432	6.6	3.8	21.2
	Moderate	20	31.3	23.2	1,392	21.1	15.3	17.1
	Middle	19	29.7	25.1	2,057	31.2	22.6	20.7
	Upper	14	21.9	34.8	2,667	40.5	50.1	41.0
	Unknown	1	1.6	8.7	38	0.6	8.2	0.0
	Total	64	100.0	100.0	6,586	100.0	100.0	100.0
Refinance	Low	2	10.5	6.6	76	4.4	3.7	21.2
	Moderate	7	36.8	20.4	546	31.5	15.4	17.1
	Middle	7	36.8	26.3	753	43.4	24.7	20.7
	Upper	3	15.8	39.2	361	20.8	48.4	41.0
	Unknown	0	0.0	7.5	0	0.0	7.8	0.0
	Total	19	100.0	100.0	1,736	100.0	100.0	100.0
Home Improvement	Low	0	0.0	9.2	0	0.0	6.0	21.2
	Moderate	0	0.0	11.5	0	0.0	9.0	17.1
	Middle	1	20.0	25.9	9	4.1	22.0	20.7
	Upper	4	80.0	50.0	209	95.9	59.2	41.0
	Unknown	0	0.0	3.4	0	0.0	3.8	0.0
	Total	5	100.0	100.0	218	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	21.2
	Moderate	0	0.0	0.0	0	0.0	0.0	17.1
	Middle	0	0.0	0.0	0	0.0	0.0	20.7
	Upper	0	0.0	4.3	0	0.0	0.8	41.0
	Unknown	1	100.0	95.7	218	100.0	99.2	0.0
	Total	1	100.0	100.0	218	100.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	9.3	0	0.0	6.7	21.2
	Moderate	0	0.0	22.5	0	0.0	16.9	17.1
	Middle	0	0.0	16.3	0	0.0	13.6	20.7
	Upper	0	0.0	51.2	0	0.0	62.5	41.0
	Unknown	0	0.0	0.8	0	0.0	0.4	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	7.3	0	0.0	4.1	21.2
	Moderate	0	0.0	18.6	0	0.0	13.9	17.1
	Middle	0	0.0	24.9	0	0.0	22.0	20.7
	Upper	0	0.0	46.9	0	0.0	58.8	41.0
	Unknown	0	0.0	2.3	0	0.0	1.2	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	1.5	0	0.0	0.7	21.2
	Moderate	0	0.0	0.0	0	0.0	0.0	17.1
	Middle	0	0.0	0.8	0	0.0	0.0	20.7
	Upper	0	0.0	1.5	0	0.0	1.5	41.0
	Unknown	0	0.0	96.2	0	0.0	97.8	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	12	13.5	7.5	508	5.8	3.6	21.2
	Moderate	27	30.3	20.7	1,938	22.1	14.0	17.1
	Middle	27	30.3	24.2	2,819	32.2	21.2	20.7
	Upper	21	23.6	36.6	3,237	37.0	46.5	41.0
	Unknown	2	2.2	11.1	256	2.9	14.7	0.0
	Total	89	100.0	100.0	8,758	100.0	100.0	100.0
Originations & Purchases 2016 FFIEC Census Data <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Saginaw, MI MSA 40980									
Product Type		Bank & Aggregate Lending Comparison							
		Count		2018				Total Businesses %	
		Bank #	Agg %	Dollar		Agg \$ %			
Bank \$ 000s	\$ %								
Small Business	Revenue	\$1 Million or Less	13	61.9	48.9	2,632	50.2	25.4	88.4
		Over \$1 Million or Unknown	8	38.1	51.1	2,608	49.8	74.6	11.6
		Total	21	100.0	100.0	5,240	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	8	38.1	89.2	398	7.6	25.1	
		\$100,001 - \$250,000	8	38.1	5.5	1,372	26.2	18.4	
		\$250,001 - \$1 Million	5	23.8	5.3	3,470	66.2	56.4	
		Total	21	100.0	100.0	5,240	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	8	61.5		398	15.1		
		\$100,001 - \$250,000	2	15.4		264	10.0		
		\$250,001 - \$1 Million	3	23.1		1,970	74.8		
Total		13	100.0		2,632	100.0			
Originations & Purchases									
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS									
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>									

Northern MI NonMSA

Assessment Area: 2018 Northern MI Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	1,074	25.1
Moderate-income	0	0.0	0	0.0	0	0.0	846	19.7
Middle-income	5	71.4	4,287	100.0	607	14.2	974	22.7
Upper-income	0	0.0	0	0.0	0	0.0	1,393	32.5
Unknown-income	2	28.6	0	0.0	0	0.0	0	0.0
Total Assessment Area	7	100.0	4,287	100.0	607	14.2	4,287	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0
Middle-income	9,767	5,352	100.0	54.8	1,095	11.2	3,320	34.0
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	9,767	5,352	100.0	54.8	1,095	11.2	3,320	34.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	617	100.0	550	100.0	51	100.0	16	100.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	617	100.0	550	100.0	51	100.0	16	100.0
	Percentage of Total Businesses:			89.1		8.3		2.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	0	0.0	0	0.0	0	0.0	0	0.0
Middle-income	65	100.0	62	100.0	2	100.0	1	100.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	65	100.0	62	100.0	2	100.0	1	100.0
	Percentage of Total Farms:			95.4		3.1		1.5
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Geographic Distribution of HMDA Reportable Loans							
Assessment Area: 2018 Northern MI Non MSA							
Product Type	Tract Income Levels	Bank & Aggregate Lending Comparison					Owner Occupied % of Units
		2018			Dollar		
		Count Bank		Agg	Bank		
		#	%	%	\$ (000s)	\$ %	\$ %
Home Purchase	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	6	100.0	100.0	699	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		6	100.0	100.0	699	100.0
Refinance	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	2	100.0	100.0	205	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		2	100.0	100.0	205	100.0
Home Improvement	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	3	100.0	100.0	382	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		3	100.0	100.0	382	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	0	0.0	100.0	0	0.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	0	0.0	100.0	0	0.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Other Purpose Closed/Exempt	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	0	0.0	100.0	0	0.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	0	0.0	100.0	0	0.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		0	0.0	100.0	0	0.0
HMDA Totals	Low	0	0.0	0.0	0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0
	Middle	11	100.0	100.0	1,286	100.0	100.0
	Upper	0	0.0	0.0	0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0
	Total		11	100.0	100.0	1,286	100.0
Originations & Purchases							
2016 FFIEC Census Data							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Geographic Distribution of Small Business Loans								
Assessment Area: 2018 Northern MI Non MSA								
	Tract Income Levels	Bank & Aggregate Lending Comparison					Total Businesses	
		2018			Dollar			
		Count		Agg	Bank			Agg
		#	%	%	\$ (000s)	\$ %	\$ %	%
Small Business	Low	0	0.0	0.0	0	0.0	0.0	0.0
	Moderate	0	0.0	0.0	0	0.0	0.0	0.0
	Middle	1	100.0	96.8	135	100.0	99.6	100.0
	Upper	0	0.0	0.0	0	0.0	0.0	0.0
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Tr Unknown				3.2			0.4
	Total	1	100.0	100.0	135	100.0	100.0	100.0
Originations & Purchases 2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Borrower Distribution of HMDA Reportable Loans								
Assessment Area: 2018 Northern MI Non MSA								
Product Type	Borrower Income Levels	Bank & Aggregate Lending Comparison						Families by Family Income %
		Count		Agg %	Dollar		Agg \$ %	
		#	%		Bank \$ (000s)	Bank %		
Home Purchase	Low	2	33.3	7.0	108	15.5	4.0	25.1
	Moderate	1	16.7	24.9	150	21.5	17.2	19.7
	Middle	1	16.7	25.4	128	18.3	24.4	22.7
	Upper	2	33.3	35.1	313	44.8	46.2	32.5
	Unknown	0	0.0	7.6	0	0.0	8.2	0.0
	Total	6	100.0	100.0	699	100.0	100.0	100.0
Refinance	Low	0	0.0	13.9	0	0.0	8.6	25.1
	Moderate	0	0.0	18.8	0	0.0	10.1	19.7
	Middle	0	0.0	18.8	0	0.0	19.4	22.7
	Upper	2	100.0	43.6	205	100.0	57.1	32.5
	Unknown	0	0.0	5.0	0	0.0	4.9	0.0
	Total	2	100.0	100.0	205	100.0	100.0	100.0
Home Improvement	Low	1	33.3	11.8	78	20.4	6.5	25.1
	Moderate	0	0.0	11.8	0	0.0	5.9	19.7
	Middle	0	0.0	29.4	0	0.0	15.2	22.7
	Upper	2	66.7	47.1	304	79.6	72.3	32.5
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	3	100.0	100.0	382	100.0	100.0	100.0
Multi-Family	Low	0	0.0	0.0	0	0.0	0.0	25.1
	Moderate	0	0.0	0.0	0	0.0	0.0	19.7
	Middle	0	0.0	0.0	0	0.0	0.0	22.7
	Upper	0	0.0	0.0	0	0.0	0.0	32.5
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose LOC	Low	0	0.0	0.0	0	0.0	0.0	25.1
	Moderate	0	0.0	30.8	0	0.0	17.9	19.7
	Middle	0	0.0	23.1	0	0.0	33.0	22.7
	Upper	0	0.0	46.2	0	0.0	49.1	32.5
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Other Purpose Closed/Exempt	Low	0	0.0	12.5	0	0.0	12.0	25.1
	Moderate	0	0.0	18.8	0	0.0	9.7	19.7
	Middle	0	0.0	31.3	0	0.0	34.7	22.7
	Upper	0	0.0	37.5	0	0.0	43.7	32.5
	Unknown	0	0.0	0.0	0	0.0	0.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
Loan Purpose Not Applicable	Low	0	0.0	0.0	0	0.0	0.0	25.1
	Moderate	0	0.0	0.0	0	0.0	0.0	19.7
	Middle	0	0.0	0.0	0	0.0	0.0	22.7
	Upper	0	0.0	0.0	0	0.0	0.0	32.5
	Unknown	0	0.0	100.0	0	0.0	100.0	0.0
	Total	0	0.0	100.0	0	0.0	100.0	100.0
HMDA Totals	Low	3	27.3	9.1	186	14.5	5.0	25.1
	Moderate	1	9.1	21.8	150	11.7	12.8	19.7
	Middle	1	9.1	23.3	128	10.0	20.4	22.7
	Upper	6	54.5	38.1	822	63.9	45.1	32.5
	Unknown	0	0.0	7.7	0	0.0	16.6	0.0
	Total	11	100.0	100.0	1,286	100.0	100.0	100.0

Originations & Purchases
2016 FFIEC Census Data
Note: Percentages may not add to 100.0 percent due to rounding

Small Business Lending By Revenue & Loan Size									
Assessment Area: 2018 Northern MI Non MSA									
Product Type		Bank & Aggregate Lending Comparison							
		2018							
		Count		Dollar			Total Businesses		
Bank	Agg	Bank	Agg	Agg					
#	%	%	\$ 000s	\$ %	\$ %	%			
Small Business	Revenue	\$1 Million or Less	1	100.0	50.5	135	100.0	32.8	89.1
		Over \$1 Million or Unknown	0	0.0	49.5	0	0.0	67.2	10.9
		Total	1	100.0	100.0	135	100.0	100.0	100.0
	Loan Size	\$100,000 or Less	0	0.0	89.8	0	0.0	27.2	
		\$100,001 - \$250,000	1	100.0	5.4	135	100.0	21.0	
		\$250,001 - \$1 Million	0	0.0	4.8	0	0.0	51.8	
		Total	1	100.0	100.0	135	100.0	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0		0	0.0		
		\$100,001 - \$250,000	1	100.0		135	100.0		
		\$250,001 - \$1 Million	0	0.0		0	0.0		
		Total	1	100.0		135	100.0		

Originations & Purchases
2018 FFIEC Census Data & 2018 Dun & Bradstreet information according to 2015 ACS
Note: Percentages may not add to 100.0 percent due to rounding

APPENDIX D – Scope of Examination

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED		HMDA-reportable lending: January 1, 2018 - December 31, 2019 CRA-reportable small business lending: January 1, 2018 - December 31, 2019 Community Development Activity: August 6, 2018 – March 29, 2021	
FINANCIAL INSTITUTION Independent Bank		PRODUCTS REVIEWED <ul style="list-style-type: none"> HMDA- and CRA-Reportable Small Business Loans Community Development Loans, Investments, and Services 	
AFFILIATE(S)		AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED
None		N/A	N/A
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
1. Grand Rapids-Kentwood, MI MSA #24340 2. Detroit-Dearborn-Warren, MI MSA #19820 3. Lansing-East Lansing, MI MSA #29620 4. Central MI NonMSA 5. Eastern MI NonMSA 6. Northwest MI NonMSA	Full scope review	None	None
1. Bay City, MI MSA #13020 2. Flint, MI #22420 3. Jackson, MI MSA #27100 4. Muskegon, MI MSA #34740 5. Saginaw, MI MSA #40980 6. Northern MI NonMSA	Limited scope review	None	None

APPENDIX E – Glossary

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Affordability ratio: To determine housing affordability, the affordability ratio is calculated by dividing median household income by median housing value. This ratio allows the comparison of housing affordability across assessment areas and/or communities. An area with a high ratio generally has more affordable housing than an area with a low ratio.

Aggregate lending: The number of loans originated and purchased by all lenders subject to reporting requirements as a percentage of the aggregate number of loans originated and purchased by all lenders in the MSA/assessment area.

American Community Survey Data (ACS): The American Community Survey (ACS) data is based on a nationwide survey designed to provide local communities with reliable and timely demographic, social, economic, and housing data each year. The Census Bureau first released data for geographies of all sizes in 2010. This data is known as the “five-year estimate data.” The five-year estimate data is used by the FFIEC as the base file for data used in conjunction with consumer compliance and CRA examinations.¹

Area Median Income (AMI): AMI means –

1. The median family income for the MSA, if a person or geography is located in an MSA, or for the metropolitan division, if a person or geography is located in an MSA that has been subdivided into metropolitan divisions; or
2. The statewide nonmetropolitan median family income if a person or geography is located outside an MSA.

Assessment area: Assessment area means a geographic area delineated in accordance with section 228.41

Automated teller machine (ATM): An automated teller machine means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the bank at which deposits are received, cash dispersed or money lent.

Bank: Bank means a state member as that term is defined in section 3(d)(2) of the Federal Deposit Insurance Act (12 USC 1813(d)(2)), except as provided in section 228.11(c)(3), and includes an

¹ Source: FFIEC press release dated October 19, 2011.

uninsured state branch (other than a limited branch) of a foreign bank described in section 228.11(c)(2).

Branch: Branch refers to a staffed banking facility approved as a branch, whether shared or unshared, including, for example, a mini-branch in a grocery store or a branch operated in conjunction with any other local business or nonprofit organization.

Census tract: Small subdivisions of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. They usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Combined Statistical Area (CSAs): Adjacent metropolitan statistical areas/metropolitan divisions (MSA/MDs) and micropolitan statistical areas may be combined into larger Combined Statistical Areas based on social and economic ties as well as commuting patterns. The ties used as the basis for CSAs are not as strong as the ties used to support MSA/MD and micropolitan statistical area designations; however, they do bind the larger area together and may be particularly useful for regional planning authorities and the private sector. Under Regulation BB, assessment areas may be presented under a Combined Statistical Area heading; however, all analysis is conducted on the basis of median income figures for MSA/MDs and the applicable state-wide non metropolitan median income figure.

Community Development: The financial supervisory agencies have adopted the following definition for community development:

1. Affordable housing, including for multi-family housing, for low- and moderate-income households;
2. Community services tailored to meet the needs of low- and moderate-income individuals;
3. Activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or
4. Activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definitions of community development. Activities that revitalize or stabilize:

- 1) Low- or moderate-income geographies;
- 2) Designated disaster areas; or
- 3) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation and Office

of the Comptroller of the Currency based on:

- a. Rates of poverty, unemployment or population loss; or
- b. Population size, density and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density and dispersion if they help to meet essential community services including the needs of low- and moderate-income individuals.

Community Development Loan: A community development loan means a loan that:

- 1) Has as its primary purpose community development; and
- 2) Except in the case of a wholesale or limited purpose bank –
 - a. Has not been reported or collected by the bank or an affiliate for consideration in the bank’s assessment as a home mortgage, small business, small farm, or consumer loan, unless it is a multi-family housing loan (as described in the regulation implementing the Home Mortgage Disclosure Act); and
 - b. Benefits the bank’s assessment area(s) or a broader statewide or regional area that includes the bank’s assessment area(s).

Community Development Service: A community development service means a service that:

- 1) Has as its primary purpose community development; and
- 2) Is related to the provision of financial services.

Consumer loan: A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories of loans: motor vehicle, credit card, other consumer secured loan, includes loans for home improvement purposes not secured by a dwelling, and other consumer unsecured loan, includes loans for home improvement purposes not secured.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married couple family or other family, which is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

Fair market rent: Fair market rents (FMRs) are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to their program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. The level at which FMRs are set is expressed as a percentile point within the

rent distribution of standard-quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented. The 40th percentile rent is drawn from the distribution of rents of all units occupied by recent movers (renter households who moved to their present residence within the past 15 months). HUD is required to ensure that FMRs exclude non-market rental housing in their computation. Therefore, HUD excludes all units falling below a specified rent level determined from public housing rents in HUD's program databases as likely to be either assisted housing or otherwise at a below-market rent, and units less than two years old.

Full review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and amount of qualified investments) and qualitative factors (for example, innovativeness, complexity and responsiveness).

Geography: A census tract delineated by the U.S. Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act: The statute that requires certain mortgage lenders that do business or have banking offices in metropolitan statistical areas to file annual summary reports of their mortgage lending activity. The reports include data such as the race, gender and income of the applicant(s) and the disposition of the application(s) (for example, approved, denied, and withdrawn).

Home mortgage loans: Are defined in conformance with the definitions of home mortgage activity under the Home Mortgage Disclosure Act and include closed end mortgage loans secured by a dwelling and open-end lines of credit secured by a dwelling. This includes loans for home purchase, refinancing and loans for multi-family housing. It does not include loans for home improvement purposes that are not secured by a dwelling.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Income Level: Income level means:

- 1) Low-income – an individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a census tract;
- 2) Moderate-income – an individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent in the case of a census tract;
- 3) Middle-income – an individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent in the case of a census tract; and

- 4) Upper-income – an individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent in the case of a census tract.

Additional Guidance: .12(m) Income Level: The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level).

Limited-purpose bank: This term refers to a bank that offers only a narrow product line such as credit card or motor vehicle loans to a regional or broader market and for which a designation as a limited-purpose bank is in effect, in accordance with section 228.25(b).

Limited review: Performance under the Lending, Investment and Services test is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, amount of investments and branch office distribution).

Loan location: Under this definition, a loan is located as follows:

- 1) Consumer loan is located in the census tract where the borrower resides;
- 2) Home mortgage loan is located in the census tract where the property to which the loan relates is located;
- 3) Small business and small farm loan is located in the census tract where the main business facility or farm is located or where the loan proceeds have been applied as indicated by the borrower.

Loan production office (LPO): This term refers to a staffed facility, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

Market share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development (HUD) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area: A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on

specific criteria including commuting patterns. Only a MSA that has a single core population of at least 2.5 million may be divided into MDs. A metropolitan statistical area that crosses into two or more bordering states is called a multistate metropolitan statistical area.

Multifamily: Refers to a residential structure that contains five or more units.

Nonmetropolitan area: This term refers to any area that is not located in a metropolitan statistical area or metropolitan division. Micropolitan statistical areas are included in the definition of a nonmetropolitan area; a micropolitan statistical area has an urban core population of at least 10,000 but less than 50,000.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: This term refers to any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: This term refers to a state or multistate metropolitan area. For institutions with domestic branch offices in one state only, the institution's CRA rating is the state's rating. If the institution maintains domestic branch offices in more than one state, the institution will receive a rating for each state in which those branch offices are located. If the institution maintains domestic branch offices in at least two states in a multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan area.

Small Bank: This term refers to a bank that as of December 31 of either of the prior two calendar years, had assets of less than \$1.322 billion. Intermediate small bank means a small bank with assets of at least \$330 million as of December 31 of both of the prior two calendar years and less than \$1.322 billion as of December 31 of either of the prior two calendar years.

Annual Adjustment: The dollar figures in paragraph (u)(1) of this section shall be adjusted annually and published by the Board, based on the year-to-year change in the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers, not seasonally adjusted, for each 12-month period ending in November, with rounding to the nearest million.

Small Business Loan: This term refers to a loan that is included in "loans to small businesses" as defined in the instructions for preparation of the Consolidated Report of Condition and Income. The loans have original amounts of \$1 million or less and are either secured nonfarm, nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: This term refers to a loan that is included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income. These loans have original amounts of \$500 thousand or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production

and other loans to farmers.

Wholesale Bank: This term refers to a bank that is not in the business of extending home mortgage, small business, small farm or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with section 228.25(b).