



## BOARD MEMO

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**FROM:** Jeremy M. Holmes, SVP and Chief Operating Officer

**DATE:** April 9, 2026

**TOPIC:** **Community Reinvestment Act Update**

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The Community Reinvestment Act (“CRA”) requires financial institutions to ascertain that they are meeting the credit and deposit needs of its communities. We have designated these communities (Defined Lending Areas/Assessment area) as all of Mason, Manistee, Benzie, Grand Traverse and Oceana Counties. It is the responsibility of the Bank’s CRA Officer to report quarterly to West Shore Bank’s Board of Directors on the Bank’s compliance with the regulation and the policy

To monitor compliance, the bank maintains a “loan to deposit” ratio using a gross loan calculation compared to total deposits. This “loan to deposit” ratio is updated quarterly and is part of West Shore Bank’s Public CRA File that is maintained at our Main Office. Included in this Public CRA File are the Bank’s most recent CRA examination, our defined assessment area, branch locations, recently closed branches, a list of our bank fees, any CRA related complaints with documentation as to how those complaints were resolved, community involvement and other information that would demonstrate that we are meeting the loan and deposit needs of the communities we serve. The FDIC conducted their CRA exam during the 4th quarter of 2025. The results of that examination gave West Shore Bank an overall Satisfactory CRA rating.

### **Key Ratios**

For March 31, 2026, the Bank’s calculated loan-to-deposit ratio was 92.10%.

### **Loans**

The Bank supports community reinvestment through some additional lending programs, which are highlighted below:

#### **Rural Development Loans, 75 loans with balances of \$7.1 million**

A Rural Development Loan is a loan made mostly to low/moderate income families and first-time home buyers.

### **Government Guaranteed Commercial Loans, 62 loans with balances of \$40.25 million**

The guaranteed portion of those loans are \$31.38 million, and they include Small Business Administration (“SBA”), SBA Express, United States Department of Agriculture (USDA) and Farm Credit Loans

### **Employee Resource Network (“ERN”) Loans, 10 loans with balances of \$6.6K**

Since the inception of the ERN program in February 2014 through March 31, 2026, the Bank has issued 675 loans totaling \$658K to low/moderate income individuals – without consideration of credit. This is done to support the Ludington Employers Resource Network (LERN). Losses since inception equal 50 defaulted loans totaling \$27.8K.

### **Investments**

The Bank also supports community reinvestment through investments, which are highlighted below:

- Great Lakes Capital Funds
- CRA Partners-Senior Housing Crime Prevention Foundation
- Cinnaire Michigan Community Fund Limited Partnership 20-6

### **Summary**

West Shore Bank is committed to serving the credit needs of the communities where we do business. Our historical loan to deposit ratio has always met or exceeded regulatory guidelines. The USDA Rural Development program, Farm Credit program, ERN and the SBA program are also important parts of our continued overall commitment to our communities. While loan ratios within our assessment areas are not a monitoring factor to CRA compliance, we have provided this information to demonstrate West Shore Bank’s commitment to serving the needs of its communities. We have also included information regarding GreenPath counseling service. Greenpath is a Bank sponsored plan that has positively impacted our ability to service the credit needs of our assessment area. Additionally, to increase its CRA presence in Traverse City, the Bank has sponsored a facility for the Senior Crimestoppers Program in that market.