

10 YEARS 10

2017 Annual Report





Board of Directors

- 1 Steven H. Rivera**
 DO, MBA, FACEP
 Managing Partner,
 Independent Emergency Physicians, PC
 President Medical Staff, Ascension Providence
 and Providence Park Hospitals
- 2 Mark J. Herman**
 President & COO
 ANYI Management Company
- 3 Barbara E. Allushuski**
 President & CEO
 Blue Heron Talent, LLC

- 4 Victor L. Ansara**
 President & CEO
 Ansara Restaurant Group, Inc.
- 5 Stefan Wanczyk**
 President & CEO
 Utica Enterprises, Inc.
- 6 Patrick J. Fehring**
 President & CEO
 Level One Bank
- 7 Shukri W. David**
 MD, MBA, FACC, Physician Chair,
 Heart & Vascular Center of Excellence
 St. John Providence Health System

- 8 Michael A. Brillati**
 CEO
 Salus Group
- 9 Thomas A. Fabbri**
 President & CEO
 Aaro Companies
- 10 James Bellinson**
 Managing Director
 Riverstone Communities



Executive Team

From left to right: Lani Barrett, EVP, Chief Human Resources Officer; Gregory A. Wernette, EVP, Chief Lending Officer; David C. Walker, EVP, Chief Financial Officer and Treasurer; Patrick J. Fehring, Chairman, President and Chief Executive Officer; Eva Scurlock, EVP, Risk Management Officer; Timothy R. Mackay, EVP, Consumer Banking Officer

To Our Shareholders



Patrick J. Fehring, President & CEO

I am pleased to report 2017 was another successful year of quality growth for Level One Bank. We achieved strong financial results with solid loan and deposit growth, received several local and national awards, opened a new banking center and celebrated our 10-year anniversary.

Our Net Income was \$9.8 million in 2017, a modest decline from 2016 due primarily to the 2017 tax reform. Although this negatively impacted earnings in 2017, we will see benefits from reduced tax rates starting in 2018 and beyond. Total Assets grew 15% to \$1.3 billion in 2017. We continued strong growth in our commercial and consumer portfolios, surpassing \$1.0 billion in loans in the fourth quarter.

We were recognized by S&P Global in 2017 as one of the best-performing community banks in the nation, ranking 35th among other banks our size. We were also proud to be recognized for workplace excellence by American Banker Magazine as one of the 'Best Banks to Work For' in the country.

Our Grand Rapids office had a very successful 2017 with outstanding loan and deposit results in its first year. In July, we opened a beautiful new banking center in Bloomfield Hills, our twelfth banking center overall and second in the Bloomfield Hills community. I am pleased to report this banking center is also off to a great start.

It's hard to imagine we started Level One Bank just 10 years ago. As I reflect on our first decade in business, I am ever thankful for the shareholders, team members, clients and communities who believed in us from the very beginning. We would not be the Bank we are today without your tremendous support.

Throughout this report, you will see many of the accomplishments and milestones we have reached together over the last 10 years. Among all our achievements, something I am most proud of is the culture we have created here. Our core values are authentic and truly unique to the DNA of Level One Bank. Passion, humility, hard work, and relationships, to name a few, make up the same DNA that carried us through the early days of starting the Bank. It is this same set of values that continues to drive us into the exciting future ahead.

We remain committed to quality growth and profitability as we look ahead to 2018 and beyond. Thank you for your continued support and unwavering commitment to Level One Bank.

Sincerely,

Patrick J. Fehring
 President & CEO



Our 10-year anniversary celebration included more than 200 team members in 2017.

2017 – Year in Review

ONE

First Quarter

- Launched a commercial banking division in Grand Rapids to complement our retail, mortgage and small business divisions
- Celebrated a grand opening event for our new Grand Rapids office

TWO

Second Quarter

- Ranked among the nation's 'Top 100 Best-Performing Community Banks' our size by S&P Global Market Intelligence

THREE

Third Quarter

- Opened a new banking center in Bloomfield Hills
- Named one of the 'Best Banks to Work For' in the nation by American Banker Magazine for the second consecutive year
- Honored for the fifth straight year as one of Metro Detroit's 'Best & Brightest Companies to Work For'
- Recognized in Inc. Magazine's list of '5,000 Fastest Growing Private Companies in America' for the third time

FOUR

Fourth Quarter

- Celebrated Level One Bank's 10-year anniversary with team members, clients and the community
- Exceeded the milestone of \$1.0 billion in total loans



Our full-service banking center in Grand Rapids.



Our newest banking center in Bloomfield Hills.

Sustained Quality Growth

In 2017, we further established our brand and presence in Southeast Michigan and West Michigan alike. After opening our first Grand Rapids office at the end of 2016, we held a ribbon-cutting ceremony and celebrated our entry into West Michigan with local clients and community leaders in January 2017. During the first quarter, we also launched our commercial banking division in Grand Rapids, which includes a comprehensive team of commercial lenders and treasury management professionals. The Grand Rapids location serves as our full-service banking hub in West Michigan, offering personal banking, mortgage banking and business banking services.

We continued to expand our footprint in Oakland County with the opening of a new banking center in Bloomfield Hills during the third quarter of 2017. The full-service banking center is located at the corner of a highly-traveled intersection and conveniently located next to prevalent shopping centers and restaurants. The office features an open floor plan with conversation rooms, new technology, and a large conference room that offers meeting space for local community groups and organizations.



The Grand Opening of our newest banking center in Bloomfield Hills in 2017.

We were honored to receive a number of prestigious awards in 2017, including those that recognized our Bank's culture and human resources practices. For the second year in a row, American Banker Magazine selected Level One Bank as one of the 'Best Banks to Work For' in the country and for the fifth year in a row, we were named one of Metro Detroit's '101 Best & Brightest Companies to Work For'. We are committed to maintaining a superior workplace environment that attracts and retains top industry talent.

Reflecting on Our First 10 Years



Level One Bank's headquarters in Farmington Hills.

Our first 10 years in business has been exciting to say the least. Characterized by rapid growth and extraordinary results, it's not surprising that today Level One Bank is one of the 'Fastest Growing Private Companies in America' according to Inc. Magazine and one of the 'Best-Performing Community Banks' in the nation as recognized by S&P Global.

Since the beginning, our strategies for growth have been aggressive, with robust organic growth supplemented by acquisitions. As banks were closing due to the strain of the economic climate, we sought timely opportunities to acquire local banks - Michigan Heritage Bank in 2009 and Paramount Bank in 2010. We grew quickly in size and strength with the addition of new banking centers, new clients and new team members.

In 2011, with a solid foundation established in commercial banking and treasury management, we began to enhance our core business model with the addition of our Residential Mortgage and Small Business Lending divisions. In 2012, we consolidated our banking operations into a new headquarters building to prepare for future growth. We grew organically from 2012 - 2014 as we opened de novo banking centers, expanded our product offerings, invested in technology, infrastructure and talent, and established a strong brand identity and reputation in our marketplace.

In 2015, we opened our first Mortgage Loan Production Office in Ann Arbor and acquired Lotus Bank. Soon after, in 2016, we acquired Bank of Michigan propelling us over \$1.0 billion in assets and more than 200 team members. We continued our growth trajectory in 2016 with the opening of a new banking center in downtown Detroit and our expansion into West Michigan.

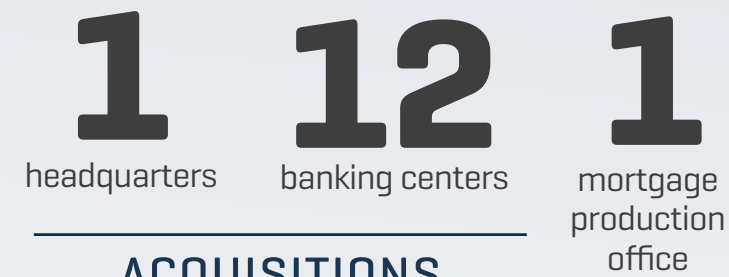
In 2017, we opened our 12th banking center and celebrated a significant milestone - our 10-year anniversary. It is truly remarkable how far we've come in 10 years, and we're not done yet. Profitable growth and expansion remain an important part of our strategy moving forward, and we look forward to sharing more milestones with you in the years to come.



The Grand Opening of our first banking center in 2007.

2007 - 2017

OFFICES



COMMUNITY IMPACT



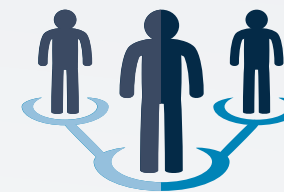
ACQUISITIONS



TEAM MEMBERS



AWARDS RECEIVED



2x American Banker's Best Banks to Work For

5x 101 Best Places to Work in Metro Detroit



3x Inc. 5000 Fastest Growing Private Companies in America

3x Standard & Poor's Best Performing Community Bank

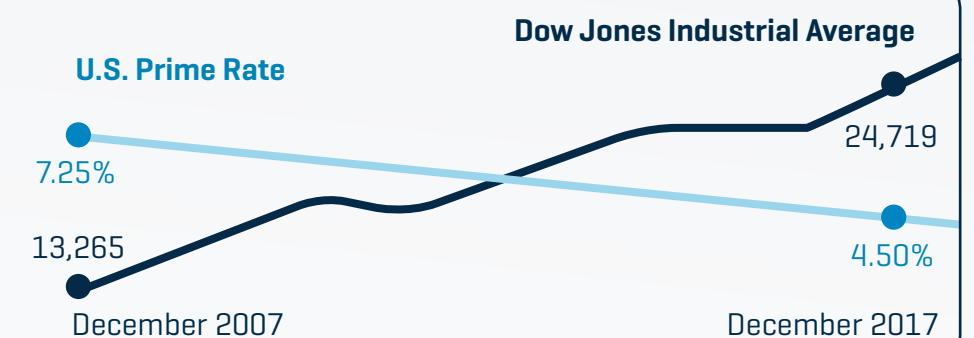


1x Michigan Top 50 Companies to Watch

4x SBA Export Lender of the Year

2x SBA Community Lender of the Year

FUN FACTS THEN & NOW



Making an Impact: Investing in Local Communities



The Harris family moved into their first home with the help of Habitat for Humanity and Level One Bank.

Through leadership, financial support and volunteerism, Level One team members are actively engaged and making an impact in the communities we serve. Since our founding, we have contributed over one million dollars and countless hours to local organizations and individuals in need. While our community outreach efforts span far and wide, we primarily focus on financial literacy, affordable housing and community development initiatives.

In 2017, we continued our partnership with Habitat for Humanity of Oakland County, Macomb County and Detroit. We developed a customized loan program for low-to-moderate income borrowers purchasing homes from Habitat for Humanity that offers reduced costs and below-market fixed interest rates. With this specialized loan, Level One Bank was able to help numerous Habitat for Humanity families become homeowners in 2017.

We are pleased to provide a number of grant opportunities to qualifying low-to-moderate income individuals to help make home ownership more affordable. Our grant programs include money for down-payment assistance, existing home repairs, and accessibility modifications for seniors and those with disabilities.

“In 2017, we facilitated over \$400,000 in grant money throughout Southeast Michigan and Grand Rapids, helping nearly 50 families.”

Our team members are passionate about lending their financial expertise to the community. As such, we regularly volunteer with local adult and youth organizations to teach various financial literacy and homebuyer education classes. Classes range from banking basics and credit building to preparation for first-time homebuyers and buying a car. We continued our partnership in 2017 with Operation HOPE, Wayne State University and TechTown Detroit to offer free credit counseling and money management classes to nearly 600 individuals in the Detroit area.



Level One team members regularly volunteer with Read to a Child Detroit.



The Glovell family, along with friends and supporters, celebrates their new Habitat for Humanity home with the help of a grant from Level One Bank used for down-payment assistance.



Level One team members get their hands dirty as they volunteer with Habitat for Humanity.



Level One team members lead a credit-building workshop at Southwest Solutions.

“We regularly volunteer with local adult and youth organizations to teach various financial literacy and homebuyer education classes.”



Level One’s mortgage team teaches students about the mortgage loan process and how to prepare for buying a home.

Client Spotlight



Amber Atkins
The Probate Pro

Amber Atkins is a long-time and loyal client of Level One Bank. After moving her personal accounts from the frustrations of a big bank, Atkins has an appreciation for the personalized service she receives from Level One. "It makes such a big difference. You don't feel like just another account," she explained.

Atkins notes conveniences like Online Banking, Bill Pay and Mobile Banking as reasons she loves Level One. "I do most of my banking online now. I can deposit checks with the mobile app and pay my bills online. The online services are very user-friendly," she explained. Atkins particularly enjoys the fee-free ATM network in which Level

One reimburses customers for fees charged at non-Level One ATMs. "It's nice when you don't have to make a special trip to your own bank's ATMs. It's the little things."

Atkins is a licensed attorney with over eight years of experience. She serves as a Managing Attorney at The Probate Pro in Royal Oak where she focuses primarily on estate planning and probate related issues.



Dr. Robert Standring, MD
Ear, Nose and Throat
Consultants P.C.

Dr. Robert Standring was a medical resident when he began the search for his first home. As a young professional earning a resident's wage and bearing the burden of medical school debt, obtaining financing for a home was no easy task. He shopped around other banks and mortgage companies before choosing Level One Bank. "Their rates were competitive and they offered a more personal approach. I have someone I can call any time, day or night, and they know me and my practice. It's so refreshing," explained Dr. Standring.

Level One Bank was able to offer a zero down-payment option through their Physician Loan program to accommodate Dr. Standring's unique situation. "They took a gamble on me when I was just getting started in my career." Today, Dr. Standring is a Board Certified Otolaryngologist at Ear, Nose and Throat Consultants in Southfield, Michigan where he treats disorders of the ear, nose and throat and related problems of the head and neck. He added, "I can't speak highly enough of my loan officer, Brad Donnelly, and the whole mortgage process. Everything Level One Bank did was so smooth. I always had paperwork on time and when I needed it."



Nigam Tripathi
WL Molding, WPI, PlasTechs,
Jhamin, and TCH

When Nigam Tripathi moved his commercial accounts to Level One Bank, he immediately noticed a difference in treatment. "People are very friendly compared to the other banks I've worked with," he explained. Tripathi appreciates how down-to-earth the Level One team is at all levels of the organization, from the administration to upper management, and from the Grand Rapids office to the headquarters in Farmington Hills. "It's unique. It's something you don't see walking into a commercial bank. That's key to me," he added.

Since 2010, Tripathi has started five successful businesses in Michigan, including three manufacturing companies, a real estate company and a capital holding company: WL Molding, WPI, PlasTechs, Jhamin and TCH. Tripathi's strong relationship with his commercial banker in Grand Rapids, Doug Kohlbeck, led to the refinancing of various lines of credit and equipment financing through Level One. When asked about his decision to switch to Level One, Tripathi said, "I am very, very happy."



Ira Harris
Habitat for Humanity
Homeowner

Ira Harris and her family purchased and moved into their first home with the help of Habitat for Humanity Detroit and Level One Bank. Harris was looking for a place of her own when she heard about the Habitat for Humanity program.

As a mortgage partner for Habitat for Humanity, Level One Bank originated Harris's mortgage loan and worked with her throughout the entire mortgage process to get her to the closing table on time. When asked about her experience working with Level One, Harris said, "It was great. They had my back every step of the way. They were loyal to me and my family."

Harris was especially thankful for the responsiveness and dependability of her loan officer, Kendra Merriman. "Even if she wasn't in the office or if it was after hours, she always responded back to me right away. Whatever questions I had were answered and everything stayed on track and got approved."



Michael T. Kulka, P.E.
PM Environmental

When PM Environmental was seeking a new banking relationship, the company's Founder and CEO, Michael Kulka, turned to his team of trusted CPAs and advisors to guide him through the process. They recommended working with a community bank. "It wasn't about who had the cheapest rate. It was about who was best for my company," Kulka explained.

Kulka was impressed by Level One Bank's ability to turn around a decision quickly, providing an answer in a couple of days while other banks needed a couple of weeks. Even more important to Kulka was Level One Bank's relationship-centered approach. "The ability to sit one-on-one with a senior executive to review financials was a huge plus," he noted. "Level One Bank knew me intimately, like other banks couldn't. We had a personal relationship. They were the best choice because they know me the best."

PM Environmental is an environmental risk expert with over 25 years of experience in consulting and managing a wide variety of environmental, engineering, industrial hygiene, energy and development projects through 18 regional offices across the country.



Joe and Jennifer Wegrzyn
Anita's Kitchen

Anita's Kitchen is a family-owned Lebanese restaurant that originally started in 1980 in Farmington Hills. After opening a location in downtown Ferndale nearly 10 years ago, Anita's Kitchen became a local favorite in the community. The restaurant is conveniently located next door to Level One Bank's Ferndale office. "It's great to be able to walk two doors down and get all of our banking taken care of," explained Joe Wegrzyn, Co-owner of Anita's Kitchen. "We use Level One Bank whenever we can, whether it's for the business or for personal banking."

With the help of Level One Bank's small business lending team, Joe and his wife Jennifer are now expanding their operations to include AKtakeaway - a fast-casual restaurant in downtown Detroit, and WonderBlue LLC - a commissary kitchen that will serve as the main supply hub for their restaurants. AKtakeaway and WonderBlue LLC are both slated to open in 2018.

"From day one, it was a big sigh of relief to know that Level One Bank was going to bring this thing to life," said Joe Wegrzyn. "Whether financing our business ventures or our family home, there has always been a sense of trust and comfort with Level One."

CONSOLIDATED BALANCE SHEETS

December 31, 2017 and 2016

[Dollars in thousands, except share data]

	2017	2016
ASSETS		
Cash and cash equivalents	\$ 63,661	\$ 19,116
Securities available-for-sale	150,969	100,533
Federal Home Loan Bank stock	8,303	5,828
Mortgage loans held for sale, at fair value	4,548	9,860
Loans:		
Originated loans	920,895	803,572
Acquired loans	114,028	149,821
Total loans	1,034,923	953,393
Less: Allowance for loan losses	(11,713)	(11,089)
Net loans	1,023,210	942,304
Premises and equipment	13,435	15,719
Goodwill	9,387	9,387
Other intangible assets, net	667	901
Bank-owned life insurance	11,542	11,214
Income tax benefit	3,102	5,137
Other assets	12,467	7,532
Total assets	\$1,301,291	\$1,127,531
LIABILITIES		
Deposits:		
Noninterest-bearing demand deposits	\$ 324,923	\$ 280,779
Interest-bearing demand deposits	62,644	60,472
Money market and savings deposits	289,363	284,249
Time deposits	443,452	299,424
Total deposits	1,120,382	924,924
Borrowings	47,833	82,645
Subordinated notes	14,844	14,786
Other liabilities	10,272	8,605
Total liabilities	1,193,331	1,030,960
Shareholders' equity		
Common stock:		
Authorized - 20,000,000 shares at 12/31/2017 and 12/31/2016		
Issued and outstanding - 6,435,461 shares at 12/31/2017 and 6,350,532 shares at 12/31/2016	59,511	58,306
Retained earnings	49,232	39,391
Accumulated other comprehensive loss, net of tax	(783)	(1,126)
Total shareholders' equity	107,960	96,571
Total liabilities and shareholders' equity	\$1,301,291	\$1,127,531

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Years ended December 31, 2017, 2016 and 2015

[Dollars in thousands]

	Preferred Stock	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
BALANCE AT JANUARY 1, 2015	\$11,287	\$ 57,501	\$15,929	\$ [296]	\$ 84,421
Net income	-	-	12,528	-	12,528
Other comprehensive income (loss)	-	-	-	(55)	(55)
Exercise of stock options (2,835 shares), including tax benefit	-	25	-	-	25
Preferred stock dividends	-	-	(112)	-	(112)
Preferred stock redemption	(11,287)	-	-	-	(11,287)
Stock-based compensation expense	-	114	-	-	114
BALANCE AT DECEMBER 31, 2015	\$ -	\$ 57,640	\$28,345	\$ [351]	\$ 85,634
Net income	-	-	11,046	-	11,046
Other comprehensive income (loss)	-	-	-	(775)	(775)
Exercise of stock options (27,008 shares), including tax benefit	-	300	-	-	300
Tax benefit from restricted stock vesting	-	2	-	-	2
Stock-based compensation expense	-	364	-	-	364
BALANCE AT DECEMBER 31, 2016	\$ -	\$58,306	\$39,391	\$[1,126]	\$ 96,571
Net income	-	-	9,841	-	9,841
Other comprehensive income (loss)	-	-	-	343	343
Exercise of stock options (57,506 shares), including tax benefit	-	605	-	-	605
Stock-based compensation expense, net of shares net settled	-	600	-	-	600
BALANCE AT DECEMBER 31, 2017	\$ -	\$59,511	\$49,232	\$ [783]	\$107,960

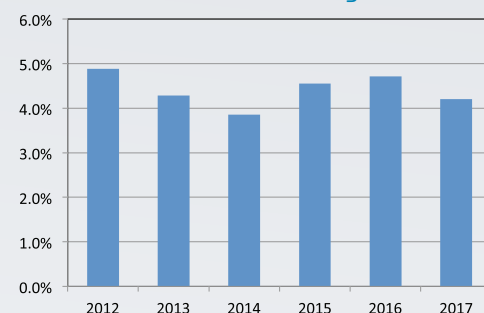
CONSOLIDATED STATEMENTS OF INCOME

Years ended December 31, 2017, 2016 and 2015

[In thousands, except per share data]

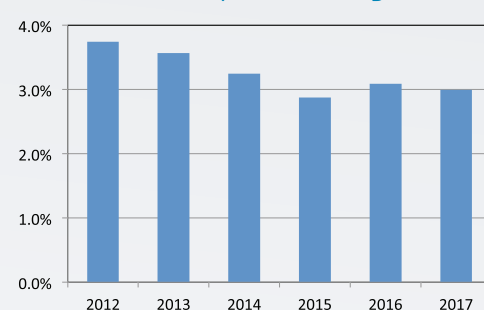
	2017	2016	2015
Interest income			
Originated loans, including fees	\$39,812	\$33,771	\$26,978
Acquired loans, including fees	12,231	16,956	11,762
Securities:			
Taxable	1,746	1,431	1,674
Tax exempt	955	441	674
Federal funds sold and other	863	304	247
Total interest income	55,607	52,903	41,335
Interest Expense			
Deposits	6,267	4,499	3,512
Borrowed funds	797	318	252
Subordinated notes	1,014	1,015	28
Total interest expense	8,078	5,832	3,792
Net interest income	47,529	47,071	37,543
Provision for loan losses	1,416	3,925	1,359
Net interest income after provision for loan losses	46,113	43,146	36,184
Noninterest income			
Service charges on deposits	2,543	1,885	972
Net gain on sale of securities	208	926	280
Net gain on sale of residential mortgage loans	1,698	2,249	1,701
Net gain on sale of commercial loans	146	-	92
Gain on FDIC loss share agreement termination	-	-	3,117
Other charges and fees	1,907	1,347	1,052
Total noninterest income	6,502	6,407	7,214
Noninterest expense			
Salary and employee benefits	21,555	17,978	14,663
Occupancy and equipment expense	4,208	3,370	2,792
Professional service fees	2,314	1,189	892
Acquisition and due diligence fees	-	2,684	722
Marketing expense	930	806	567
Printing and supplies expense	477	468	349
Data processing expense	1,912	2,023	1,350
Other expense	4,655	3,889	3,553
Total noninterest expense	36,051	32,407	24,888
Income before income taxes	16,564	17,146	18,510
Income tax provision	6,723	6,100	5,982
Net income	9,841	11,046	12,528
Less: Preferred stock dividends	-	-	112
Net income allocated to common shareholders	\$ 9,841	\$11,046	\$12,416
Earnings per common share:			
Basic	\$ 1.54	\$ 1.74	\$ 1.97
Diluted	\$ 1.49	\$ 1.69	\$ 1.92
Average common shares outstanding - basic	6,388	6,341	6,307
Average common shares outstanding - diluted	6,610	6,549	6,463

Net Interest Margin



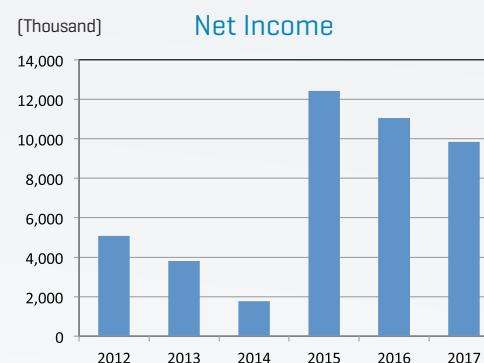
The Company's loans are its main revenue engine, and the loan yield increased more than the cost of funds increased, resulting in the Company's net interest margin of 4.2%.

Noninterest Expense/Average Assets



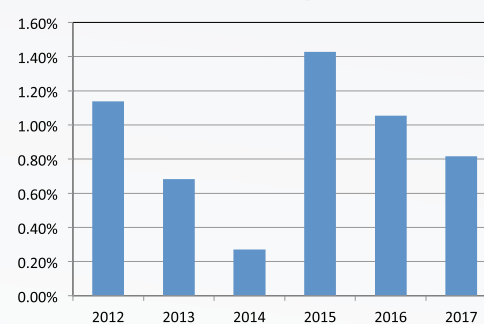
Offsetting net interest revenue is noninterest expense (e.g., salaries, occupancy, data processing, etc.) In 2017, this increased primarily due to higher salary and employee benefits resulting from an increase of 23 FTE employees (portion of which related to opening of Grand Rapids Branch).

Net Income



Net income was strong at \$9.8 million in 2017.

Return on Average Assets



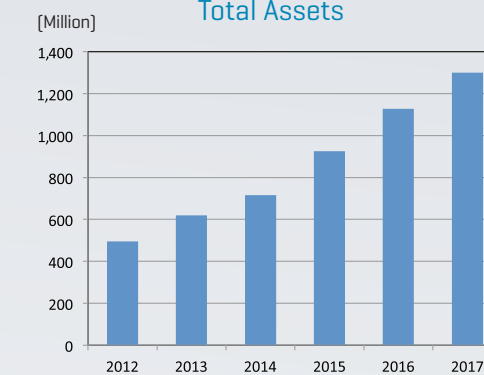
The Company's net income as percent of assets was 0.82% in 2017.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31, 2017, 2016 and 2015 [Dollars in thousands]

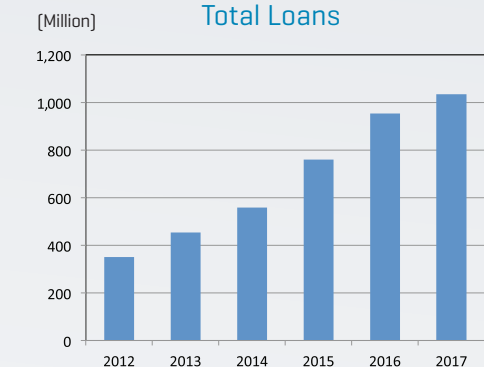
	2017	2016	2015
Cash flows from operating activities			
Net income	\$ 9,841	\$ 11,046	\$ 12,528
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	1,369	1,445	1,026
Amortization of core deposit intangibles	234	233	154
Stock-based compensation expense, net of shares net settled	600	364	114
Provision for loan losses	1,416	3,925	1,359
Discount on acquired SBA/USDA retained loans	-	133	33
Net securities premium amortization	871	608	864
Net gain on sales of securities	(208)	(926)	(280)
Originations of loans held for sale	(64,184)	(78,950)	(58,245)
Proceeds from sales of loans originated for sale	69,753	74,995	59,622
Net gain on sales of loans	(1,844)	(2,249)	(1,793)
Net accretion on acquired purchase credit impaired loans	(5,340)	(8,412)	(6,960)
Writedowns on other real estate owned	-	-	105
Gain on sale of other real estate owned	(237)	(35)	(181)
Increase in cash surrender value of life insurance	(328)	(181)	(100)
Net (increase)/decrease in accrued interest receivable and other assets	(1,519)	(4,658)	4,952
Net increase/(decrease) in accrued interest payable and other liabilities	1,725	2,865	(1,454)
Net cash from operating activities	12,149	203	11,744
Cash flows from investing activities			
Net increase in loans	(75,780)	(89,466)	(109,972)
Principal payments on securities available-for-sale	8,850	12,900	12,610
Purchases of securities available-for-sale	(74,225)	(91,041)	(68,072)
Purchases of Bank Owned Life Insurance	-	(7,520)	-
Purchases of FHLB Stock	(2,475)	(1,536)	-
Additions to premises and equipment	(913)	(3,066)	(1,050)
Proceeds from:			
Redemption of FHLB Stock	-	-	313
Sale of securities available-for-sale	14,803	93,427	50,801
Sale of other real estate owned	885	116	714
Net cash from/(used) in acquisition	-	2,458	(965)
Net cash used in investing activities	(128,855)	(83,728)	(115,621)
Cash flows from financing activities			
Net increase in deposits	195,458	46,170	145,358
Repayment of Federal Home Loan Bank (FHLB) advances	(348,500)	(16,600)	(37,000)
Issuances of FHLB advances	314,000	65,000	35,000
Change in short term borrowings	(1,826)	(8,265)	(43,798)
Increase in secured borrowing	1,514	-	-
Proceeds from issuance of subordinated notes	-	-	14,733
Preferred stock dividends	-	-	(112)
Redemption of preferred stock	-	-	(11,287)
Proceeds from exercised stock options, including tax benefit	605	300	25
Net cash from financing activities	161,251	86,605	102,919
Net change in cash and cash equivalents	44,545	3,080	(958)
Beginning cash and cash equivalents	19,116	16,036	16,994
Ending cash and cash equivalents	\$ 63,661	\$ 19,116	\$ 16,036
Supplemental disclosure of cash flow information:			
Interest paid	\$ 7,427	\$ 5,864	\$ 3,603
Income taxes paid	4,625	1,200	1,050
Transfer from premises and equipment to other assets	1,793	-	-
Transfer of loans held for sale to loans held for investment	1,587	-	-
Transfer from loans to other real estate owned	385	258	399
Non-cash transactions:			
Increase in assets and liabilities in acquisitions:			
Assets acquired - Bank of Michigan (2016), Lotus Bank (2015)	-	114,442	111,428
Liabilities assumed - Bank of Michigan (2016), Lotus Bank (2015)	-	102,762	98,906

Total Assets



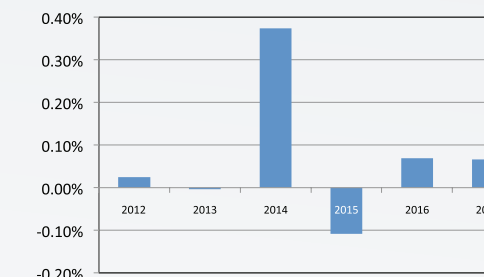
Organic growth drove an increase in assets of 15% during 2017.

Total Loans



Loan growth contributed to 47% of total asset growth during 2017.

Uncovered Net Charge Offs / Average Assets



Credit quality remains excellent with a .07% loss rate in 2017.

Corporate Office

32991 Hamilton Court
Farmington Hills, MI 48334
248-737-0300

Mortgage Loan

Production Office
2750 South State Street
Ann Arbor, MI 48104
734-794-5225

Banking Center Locations

Birmingham

1732 West Maple Road
Birmingham, MI 48009
248-723-4800

Farmington Hills

30095 Northwestern Highway
Farmington Hills, MI 48334
248-865-1300

Grand Rapids

2355 Burton Street SE
Grand Rapids, MI 49506
616-827-4400

Bloomfield

6450 Telegraph Road
Bloomfield Hills, MI 48301
248-406-8905

Farmington Hills

31000 Northwestern Highway
Farmington Hills, MI 48334
248-538-7600

Northville

20550 Haggerty Road
Northville, MI 48167
248-380-6590

Bloomfield

37100 Woodward Avenue
Bloomfield Hills, MI 48304
248-530-7401

Farmington Hills

30201 Orchard Lake Road
Farmington Hills, MI 48334
248-737-1110

Novi

44350 W. 12 Mile Road
Novi, MI 48377
248-735-1000

Detroit

1420 Washington Boulevard
Detroit, MI 48226
313-309-9980

Ferndale

22635 Woodward Avenue
Ferndale, MI 48220
248-414-6500

Sterling Heights

43683 Schoenherr Road
Sterling Heights, MI 48313
586-412-1800

