Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

February 17, 2026

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

Eaton Community Bank
Charter Number: 704194

236 S. Cochran Avenue
Charlotte, MI 48813

Office of the Comptroller of the Currency

200 Public Square, Suite 1610
Cleveland, OH 44114

NOTE: This document is an evaluation of this institution'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 institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Satisfactory.**

The lending test is rated: Satisfactory.
The community development test is rated: Satisfactory.

The major factors that support this rating include:

- The Lending Test rating is based on the bank's overall reasonable lending among borrowers of different income levels.

- The Community Development (CD) Test rating is based on the bank's adequate responsiveness to community credit needs through CD investment, CD donations, and CD services.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the assessment areas (AAs), the bank's loan-to-deposit (LTD) ratio was reasonable.

The bank's LTD ratio was calculated on a bank-wide basis. Over the 12-quarter evaluation period, spanning 2022, 2023, and 2024, the bank's average quarterly LTD ratio was 61.1 percent. The bank's quarterly LTD ratios ranged from a low of 50.1 percent for the first quarter of 2022 to a high of 67.7 percent for the fourth quarter of 2023.

In comparison, over the 12-quarter period, LTD ratios for six similarly situated AA lenders averaged 91.7 percent. These lenders ranged in asset size from $71.3 million to $6.6 billion. Excluding institutions exceeding $1.0 billion in total assets, over the same 12-quarter period the LTD ratios for four similarly situated AA lenders averaged 75.1 percent. These four lenders ranged in size from $71.3 million to $596.1 million in total assets.

The bank's LTD ratio was adversely impacted by the sale of loans in 2021 resulting in an LTD of 50.1 percent as of first quarter 2022 which subsequently improved, trending upward to 66.8 percent as of fourth quarter 2024.

Lending in Assessment Area

A majority of the bank's loans were inside its AA(s).

The bank originated and purchased 75.1 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Table 1: Lending Inside and Outside of the Assessment Area										2022-2024
Loan Category	Number of Loans				Total #	Dollar Amount of Loans $(000s)				Total $(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		$	%	$	%	
Home Mortgage	235	71.87	92	28.13	327	34,198	61.63	21,295	38.37	55,493
Total	235	71.87	92	28.13	327	34,198	61.63	21,295	38.37	55,493
Source: 1/1/2022 - 12/31/2024 Bank Data. Due to rounding, totals may not equal 100.0%										

Description of Institution

Eaton Community Bank (Eaton CB or bank) is an intrastate community bank headquartered in Charlotte, Michigan. In 2020, the bank reorganized into a mutual holding company structure. The mutually owned holding company, Eaton Federal Mutual Holding Company became the sole owner of a stock holding company which became the sole owner of the bank. At the time of the reorganization, the bank also changed its name from Eaton Federal Savings Bank to Eaton Community Bank. The bank operated a single subsidiary, Discovery Financial Services Corporation, that exists as a legal entity under the bank, although it does not have any assets. Over the evaluation period, the bank served geographies in central Michigan within the counties of Eaton, Ingham, Clinton, and Barry.

Specifically, the central Michigan counties comprised the geographies that the bank delineated as its Lansing-East Lansing AA. The bank's Lansing-East Lansing AA was comprised of Eaton County, Michigan in its entirety as well as selected geographies in adjacent Ingham and Clinton Counties in Michigan. Eaton, Ingham, and Clinton Counties comprise the Lansing-East Lansing Metropolitan Statistical Area (MSA), which is the third largest metropolitan area in the state of Michigan. The bank also served selected geographies in Barry County. During the evaluation period encompassing January 1, 2022, through December 31, 2024, Barry County became part of the Grand Rapids-Wyoming-Kentwood MSA. Prior to January 1, 2024, Barry County was not located within an MSA. Examiners noted that the bank's AAs changed in 2024. Prior to 2024, the bank operated in six AAs. However, four of the AAs only contained a few census tracts (CTs). As a result, management made the decision to adjust their AAs to focus on the majority of their lending footprint. As a result, we weighed performance in the two main AAs, Lansing-East Lansing AA and Barry County AA.

Of the bank's seven branch offices, the bank operated six of the branches within its Lansing-East Lansing AA and one of the branches within its Barry County AA. Of the six Lansing-East Lansing AA branch offices, the bank operated four branches in Eaton County and two branches in Ingham County. The bank's Eaton County locations included branches situated in Charlotte, Eaton Rapids, Grand Ledge, and Olivet, Michigan. The Ingham County locations included branch offices in Stockbridge and East Lansing, Michigan. The Barry County AA branch office is situated in Nashville, Michigan. The bank opened the East Lansing branch office during the evaluation period in April 2023. Of the bank's seven branch offices, six branches are located within middle-income geographies, and one branch is located within a moderate-income geography in Eaton Rapids. All bank branch offices offer lobby hours from Monday through Friday between 9:00AM and 5:00PM, drive-through services Monday through Friday and Saturday's through 12:00PM, and 24-hour ATMs.

Similarly, the bank's seven branch offices also offered an identical range of traditional products and services. Those product and services offerings included on-line and mobile banking, checking, certificates of deposit, individual retirement accounts, debit cards, and convenience services. Convenience services included safe deposit boxes, wire transfers, gift cards, night depository, medallion signature guarantee services, rent payment collection, and coin counting. Loan products included home mortgage loans, home equity loans and lines of credit, vehicle loans, credit cards, and personal loans.

The bank's primary business strategy remained focused primary on home mortgage lending. However, toward the end of the evaluation period, in 2024, the bank began to increase its focus on commercial real estate and indirect consumer lending. Of the bank's total deposits and loans, the vast majority were derived from the bank's Lansing-East Lansing AA.

According to the Report of Condition and Income, as of December 31, 2024, the bank's assets totaled $484.3 million. In comparison, as of December 31, 2023, and December 31, 2022, the bank's assets totaled $448.4 million, and $459.6 million respectively. As of December 31, 2024, the bank's tier one capital equaled 13.9 percent of total assets, totaling $67.2 million and the loan portfolio (net loans and leases) equaled 58.0 percent, totaling $281.1 million.

Of the bank's total loan portfolio, 78.1 percent was secured by real estate. The loan portfolio was comprised of 40.2 percent residential 1-4 family real estate, 28.2 percent commercial non-farm, non-residential real estate loans, 18.1 percent consumer loans, 8.2 percent construction and development loans, 3.6 percent commercial and industrial loans and 1.1 percent multi-family loans. The remainder of the bank's loan portfolio was comprised of farmland, agricultural loans, and other loans and leases.

There were no legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AA. The bank received a "Satisfactory" rating for the previous Community Reinvestment Act (CRA) Performance Evaluation dated January 9, 2023.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This performance evaluation assesses the bank's record of meeting the credit needs of its AAs, over the evaluation period. Specifically, the bank's lending and CD activity was analyzed over an evaluation period of three years from January 1, 2022, through December 31, 2024.

The review was performed using Intermediate Small Bank (ISB) CRA procedures. ISB CRA procedures consist of a Lending Test and a CD Test. The Lending Test evaluates the bank's record of meeting the credit needs of its AAs through its lending activities. The CD Test evaluates the bank's record of meeting the credit needs of its community through CD lending, investments, and services.

For this bank's CRA evaluation, lending activities focused on its primary loan product, home mortgage loans reported by the bank under the Home Mortgage Disclosure Act (HMDA). The bank's record of home mortgage lending among AA geographies of different income levels and AA borrowers of different income levels was compared to demographic information and aggregate lending activity.

CD activities analyzed the bank's record of funding CD lending and qualifying CD investments including donations and grants, as well as the bank's record of providing CD services within its AAs. The bank's lending CD activity was analyzed over an evaluation period of three years from January 1, 2022, through December 31, 2024.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one AA within that state was selected for a full-scope review. For purposes of this evaluation, the bank delineated two AAs within the state of Michigan. One of the AAs was located within the Lansing-East Lansing MSA. The other AA was located within the non-MSA Michigan county of Barry, which beginning in 2024 was added to the Grand Rapids-Wyoming-Kentwood MSA. The bank's Lansing-East Lansing AA was selected for a full-scope review and the Barry County Non-MSA AA received a limited-scope review. The Lansing-East Lansing AA was selected for a full-scope review as it houses the majority of the bank's branch offices and the majority of its deposits and loans.

Refer to the "Scope" section under the State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is based on its rating in the state of Michigan.

The state rating in Michigan in which the bank has delineated multiple AAs is based on the weighted-average conclusions in those AAs. Refer to the "Scope" section under each state rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) (March 29, 2024) in determining a national banks or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Michigan

CRA rating for the State of Michigan: Satisfactory
The Lending Test is rated: Satisfactory
The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The bank's record of lending among borrowers of different income levels is reasonable.
- The bank's responsiveness to CD needs in the state through CD investments/donations and CD services is adequate.

Description of Institution's Operations in Michigan

Examiners evaluated performance in the bank's delineated two separate AAs within the state of Michigan. The AAs were adjacent and situated in central Michigan and were primarily rural in nature. The AAs consisted of the Lansing-East Lansing AA and the Barry County AA. The Lansing-East Lansing AA consisted of Eaton County in its entirety, and portions of Ingham and Clinton Counties which constituted a significant portion of the Lansing-East Lansing MSA. The Barry County Non-MSA AA consisted of a small number of geographies in the eastern portion of Barry County. In 2022 and 2023 Barry County was not located within an MSA. However, in 2024, the Barry County AA was located within the Grand Rapids-Wyoming-Kentwood MSA, which represents Michigan's second largest urban region.

Specifically, as of December 31, 2024, the Lansing-East Lansing AA consisted of 123 geographies (census tracts). Of the AA geographies with income classifications, 5.7 percent, 22.0 percent, 40.7 percent, and 22.0 percent were designated as low-income, moderate-income, middle-income, and upper-income, respectively. None of the middle-income geographies are classified as underserved or distressed according to the FFEIC's 2024 listing of Underserved or Distressed Nonmetropolitan Middle-Income Geographies. The bank did not operate any branch offices in low-income geographies. The AA does not arbitrarily exclude any low-or moderate-income geographies.

According to 2024, U.S. Census data, 4.2 percent and 19.7 percent of the Lansing-East Lansing AA's population resided in low- or moderate-income geographies, respectively. Median family income was \$91,300. As a result, low-income AA families earned a maximum household income of less than \$45,650 and moderate-income AA families earned between \$45,650 and \$73,040. Of AA housing units, 33.5 percent were rental units. Of all AA housing units, 5.0 percent and 22.4 percent were located within low- and moderate-income geographies, respectively. AA households below the poverty level equaled 13.8 percent. Therefore, housing availability in low-to-moderate income geographies and cost relative to income may have inhibited home mortgage demand emanating from low-and moderate-income AA families.

The bank encountered significant competition within the AA. According to the FDIC 2024 Deposit Market Share Report, there were 19 financial institutions operating 80 offices serving the bank's AA. The bank ranked 10th in AA deposit market share, with 3.3 percent of total AA deposits. The top five institutions taking AA deposits accumulated a combined market share of 66.2 percent. Banks with the most significant deposit market share included First National Bank of America, PNC Bank, National Association, The Dart Bank, Fifth Third Bank, National Association, and The Huntington National Bank.

The bank also encountered significant competition for AA home mortgage loans. Based on 2024 peer mortgage loan data, the bank ranked 25th among 355 lenders originating or purchasing home mortgage loans within the AA. The bank's mortgage lending market share represented just 0.9 percent of the total home mortgage AA market share. The top five home mortgage lenders combined garnered 33.8 percent of AA home mortgage lending. The top ten mortgage lenders included large banks, national mortgage originators, and credit unions. Specifically, lenders with the greatest home mortgage loan AA market share included MSU Federal Credit Union, Dart Bank, Rocket Mortgage, Flagstar Bank, National Association, and Union Home Mortgage Corp.

As evidenced by unemployment rates, area economic conditions over the evaluation period fared somewhat better in Clinton and Ingham Counties than in Eaton County and the state of Michigan overall. Specifically, for Eaton County, unemployment levels ranged from 5.3 percent at the start of 2022, decreasing to 3.7 percent at year-end 2023 and increasing to 4.4 percent at year-end 2024. Similarly, for Ingham County, unemployment levels ranged from 4.9 percent at the start of 2022, decreasing to 3.9 percent at year-end 2023 and increasing to 4.5 percent at year-end 2024. Similarly, for Clinton County, unemployment levels ranged from 4.1 percent at the start of 2022, decreasing to 3.3 percent at year-end 2023 and increasing to 3.9 percent at year-end 2024. In comparison, for the state of Michigan, unemployment levels ranged from a low of 3.1 percent in April 2023 to a high of 5.7 percent in July 2024.

Moody's Analytics characterized the business cycle status of the area as an economy "at risk." Moody's cited economic drivers as the fact that the area houses the state capital and a major state university. Area strengths included Michigan State University assisting in fostering growth for private businesses and that General Motors committed to maintaining a presence in Lansing. Area weaknesses included overreliance on low-growth sectors, limited high-wage opportunities, outflow of skilled workers, deteriorating population trends, low per capita income, and high poverty rates. Top employers included Michigan State University, Sparrow Health System, Auto Owners Insurance Group, General Motors Corp., and Jackson National Life Insurance Group.

Consideration was afforded information obtained from multiple community organizations within the AA, including information obtained during a listening session attended by multiple community contacts. Community contacts emphasized the need for affordable area housing. Contacts identified barriers to home ownership to be the high cost of living relative to wages, language/cultural challenges, lack of digital literacy (especially for seniors), and challenges obtaining online access to employment benefits/applications. Contacts also identified additional home ownership barriers, including employment retention being adversely impacted by personal health issues, family care issues and unforeseen emergencies, and individuals stretching resources to cover energy costs and other living expenses. Many potential home-buyers lack credit credentials, relevant work experience, and critical infrastructure and services close to affordable housing such as transportation and childcare. Contacts cited limited availability of existing homes stemming from long-term homeowner reluctance to sell and move driven by tax rate concerns. A contact also noted that the cost to build or renovate single family homes was between $300,000 and $350,000. Although affordable housing on average would cost $150,000, the extent of required documentation and bureaucracy adds to overall costs. Contacts identified needs for down-payment assistance, low-interest construction financing, home construction subsidies, and community investment funds. Contacts also discussed the need for housing rehabilitation assistance, senior housing, and affordable rental units, and income-based housing options.

Lansing – East Lansing AA

Assessment Area – Lansing – East Lansing AA						
						2024
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	123	5.69	21.95	40.65	21.95	9.76
Population by Geography	424,110	4.23	19.66	45.37	24.89	5.86
Housing Units by Geography	183,898	4.99	22.36	46.80	23.73	2.13
Owner-Occupied Housing by Geography	108,590	2.89	16.89	50.19	29.86	0.18
Occupied Rental Units by Geography	61,650	7.48	29.71	42.74	15.21	4.86
Vacant Units by Geography	13,658	10.40	32.60	38.21	13.49	5.29
Businesses by Geography	16,871	5.38	23.21	43.84	24.27	3.30
Farms by Geography	759	2.64	13.18	58.76	24.51	0.92
Family Distribution by Income Level	97,864	21.08	17.46	21.95	39.51	0.00
Household Distribution by Income Level	170,240	24.45	16.51	18.99	40.05	0.00
Unemployment rate (%)	5.94	12.75	8.55	5.30	3.01	9.98
Households Below Poverty Level (%)	13.79	28.84	19.93	10.63	7.36	71.05
Median Family Income (24340 – Lansing-East Lansing MI MSA)		$79,497			**Median Housing Value**	$139,900
Median Family Income (24340 – Lansing -East Lansing MI MSA) for 2024		$91,300			**Median Gross Rent**	$873
					Families Below Poverty Level	8.42

2024 Dun & Bradstreet SBSF Demographics
Due to rounding, totals may not equal 100.0%
(*) The NA category consists of geographies that have not been assigned an income classification
(*) The NA category consists of geographies that have not been assigned an income classification

Scope of Evaluation in Michigan

In the state of Michigan, the bank delineated two AAs, the Lansing-East Lansing AA, and the Barry County AA. The Lansing-East Lansing AA received a full-scope review. The Barry County AA received a limited-scope review. The Lansing-East Lansing AA was the AA from which the bank derived the majority of its deposits and its loans. Therefore, in determining overall conclusions, the bank's performance in its Lansing-East Lansing was weighted more heavily than the bank's performance in its Barry County AA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MICHIGAN

LENDING TEST

The bank's performance under the Lending Test in Michigan is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the state of Michigan was reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibited reasonable geographic distribution of loans in the state.

Home Mortgage Loans

Refer to Table 7 in the state of Michigan section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

2022 – 2023

During the January 1, 2022, through December 31, 2023, analysis period, 2.1 percent of home mortgage loans were originated in low-income geographies. The bank's record of originating home mortgage loans in low-income AA geographies was below both the percentage of owner-occupied housing located in low-income AA geographies at 2.9 percent and the percentage of aggregate home mortgage lending in low-income AA geographies at 3.6 percent.

Similarly, of home mortgage loans originated by the bank in AA geographies, 12.8 percent were originated in moderate-income geographies. The bank's record of originating home mortgage loans in moderate-income AA geographies was below the percentage of owner-occupied housing located in moderate-income AA geographies at 16.2 percent and the percentage of aggregate home mortgage lending in moderate-income AA geographies at 18.4 percent.

2024

During the January 1, 2024, through December 31, 2024, analysis period, the bank did not originate any loans in low-income geographies. The bank's record of originating home mortgage loans in low-income AA geographies was below both the percentage of owner-occupied housing located in low-income AA geographies at 2.9 percent and the percentage of aggregate home mortgage lending in low-income AA geographies at 4.2 percent.

Additionally, of home mortgage loans originated by the bank in AA geographies, 12.8 percent were originated in moderate-income geographies. The bank's record of originating home mortgage loans in moderate-income AA geographies was below both the percentage of owner-occupied housing located in moderate-income AA geographies at 16.9 percent and the percentage of aggregate home mortgage lending in moderate-income AA geographies at 19.3 percent.

The bank encountered challenges lending within low-and moderate-income AA geographies. Low-and moderate-income AA geographies are primarily situated in the areas in and around Lansing, Michigan. The bank opened its East Lansing branch office in April 2023. As a result, the bank's presence in the areas in and around the low-and moderate-income Lansing geographies was relatively recent and just becoming established during latter half of the evaluation period beginning in mid-2023 and extending through 2024.

The bank's record of lending to low- and moderate-income families as described in the "Distribution of Loans by Income Level of the Borrower" section below, demonstrates the bank's record of lending to low-, and moderate-income AA borrowers regardless of the income-level of the AA geographies in which those low-and moderate-income borrowers reside. Therefore, in reaching conclusions, greater weight was placed on comparing the bank's record of lending to low- and moderate-income AA families than the bank's record of lending in low- and moderate-income AA geographies.

Lending Gap Analysis

Maps and summary reports were reviewed to identify any gaps in the geographic distribution of loans. The analysis did not identify any unexplained conspicuous gaps regarding the bank's geographic distribution of lending by income level of geography.

Distribution of Loans by Income Level of the Borrower

The bank exhibited reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

Home Mortgage Loans

Refer to Table 8 in the state of the Michigan section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

2022 – 2023

During the January 1, 2022, through December 31, 2023, analysis period, 11.4 percent of home mortgage loans originated by the bank were originated to low-income borrowers. The bank's record of originating home mortgage loans to low-income AA borrowers was below the percentage of low-income AA families at 20.8 percent, but only slightly below the percentage of aggregate home mortgage lending to low-income AA borrowers at 12.8 percent.

Additionally, 24.1 percent of home mortgages originated to borrowers that were moderate-income. The bank's record of originating home mortgage loans to moderate-income AA borrowers exceeded the percentage of moderate-income AA families at 17.2 percent and was consistent with the percentage of aggregate home mortgage lending to moderate-income AA borrowers at 24.6 percent.

2024

During the January 1, 2024, through December 31, 2024, analysis period, 11.5 percent of home mortgage loans originated by the bank were originated to low-income borrowers. The bank's record of originating home mortgage loans to low-income AA borrowers was below the percentage of low-income AA families at 21.1 percent, but exceeded the percentage of aggregate home mortgage lending to low-income AA borrowers at 9.9 percent.

Additionally, 20.5 percent of home mortgages were originated to moderate-income borrowers. The bank's record of originating home mortgage loans to moderate-income AA borrowers exceeded the percentage of moderate-income AA families at 17.5 percent and was slightly below the percentage of aggregate home mortgage lending to moderate-income AA borrowers at 23.8 percent.

In reaching conclusions, greater weight was placed on comparing the bank's record of lending to moderate-income AA families than to low-income AA families, and greater weight was placed on comparing the bank's record of lending against aggregate AA lending than against the demographic percentage of low-and moderate-income AA families.

As discussed in the "Description of Institution's Operations in Michigan" section, the bank encounters significant competition within its AA. Competition for home mortgage loans to low-and moderate-income AA borrowers includes competition from larger regional and national lenders, some of which were very large banks, national mortgage originators and credit unions that have the capacity to facilitate easy access to credit.

Responses to Complaints

The bank did not receive any complaints related to CRA during the evaluation period.

Conclusions for Area Receiving a Limited Scope Review

Based on a limited-scope review, the bank's performance under the Lending Test in the Barry County Non-MSA AA was weaker than the bank's overall performance under the Lending Test in the full-scope Lansing-East Lansing AA.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the CD Test in the state of Michigan is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibited adequate responsiveness to CD needs in the state through qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AA(s).

Number and Amount of Community Development Loans

Over the evaluation period, the bank did not originate any CD loans in its Lansing-East Lansing AA.

Number and Amount of Qualified Investments

Table 4: Qualified Investments

Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $	#	$(000's)
Lansing-East Lansing AA	--	--	3	1,015	3	100.0	1,015	100.0	--	--
Broader Statewide or Regional Area	--	--	--	--	--	--	--	--	--	--
Total	--	--	3	1,015	3	100.00	1,015	100.0	--	--

Over the evaluation period, the bank originated one CD investment and two CD donations in its Lansing-East Lansing AA. The CD investment as well as a CD donation were responsive to the community's need for affordable housing as described by multiple community contacts.

* 'Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

The following describes the CD investment and donations originated in the AA:

- On December 13, 2024, the bank invested $1.0 million in a low-income, housing tax credit (LIHTC) fund. The LIHTC fund provided affordable housing solutions in a low-income geography situated in downtown Lansing, Michigan. The specific investment project involved a new, two-phase housing development offering 118 units. The housing units consisted of 111 affordable and seven market-rate units. The non-profit organization through which the LIHTC investment was funded stated a mission to create change through capital investments and development solutions that support safe, quality, and affordable housing as the foundation for thriving and successful communities.

- On June 8, 2023, the bank funded a $10,000 donation to a local non-profit, community-based organization engaged in economic development activities. Specifically, the organization was a registered 501(c)(3) non-profit organization focused on community improvement, capacity building and economic development. The organization's stated mission was to restore and revitalize downtown Charlotte, Michigan.

- On October 25, 2023, the bank funded a $5,000 donation to a local non-profit, community-based organization engaged in assisting low-and moderate-income individuals to secure affordable housing. The organization served geographies in Eaton, Ingham and Clinton County, Michigan. The organization stated mission aims to assist low-and moderate-income individuals and families fulfill needs for affordable, safe, and sanitary housing through participation in federal, state, and local programs and services. Specific assistance programs included: homeless prevention, rental and utility assistance, section eight housing choice voucher program, and home counseling.

Extent to Which the Bank Provides Community Development Services

During the evaluation period, the bank provided CD services, primarily through financial expertise, non-profit, community-based organization that served its AA. Specifically, over the period, five employees provided approximately 156 hours of services to six community-based organizations. Among the CD services provided were services responsive to the community's need for affordable housing as described by multiple community contacts.

Examples of these services included the following:

- During 2023, the bank president spent 50 hours serving on the board of directors and provided organizational leadership services to a local non-profit, economic development, community-based organization. The organization is dedicated to building community and revitalizing a local historic downtown area. The organization has been recognized for its efforts in economic development and community engagement.

- During 2023, and 2024, a bank employee spent approximately 65 hours serving on the board of directors and as treasurer for a local non-profit, community-based organization operating from within a moderate-income AA geography for the improvement of area business conditions. The mission of the organization is to foster a thriving business community in the area and surrounding communities. The organization is dedicated to supporting local businesses through networking opportunities, advocacy, and resources that promote growth and success. The organization connects, supports and advocates on behalf businesses of all sizes through community events and networking opportunities, and resources promoting growth and success.

- During 2023 and 2024, a bank employee spent approximately 30 hours serving on the board of directors and as treasurer of a local community-based organization that provided services to survivors of domestic and sexual abuse. Specifically, the organization provided safety and services including shelter, advocacy, and crisis intervention for domestic and sexual abuse survivors.

- During 2023 and 2024, two commercial lenders spent over seven hours serving on the board of directors to a local non-profit, affordable housing, community-based organization. One of the two employees served as president of the board.

- During 2024, a commercial lender served as a member of the board of directors for a local homeless shelter.

Conclusions for Area Receiving a Limited Scope Review

Based on a limited-scope review, the bank's performance under the CD test in the Barry County AA was weaker than the bank's overall performance under the CD test in the full-scope Lansing-East Lansing AA.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSA(s) and non-MSA(s) that received comprehensive examination review, designated by the term "full-scope," and those that received a less comprehensive review, designated by the term "limited-scope".

Time Period Reviewed:	(01/01/22 to 12/31/24)	
Bank Products Reviewed:	Home mortgage, Community development loans, qualified investments, community development services	
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	**Type of Exam**	**Other Information**
Michigan		
Lansing-East Lansing MSA	Full-scope	County of Eaton, Partial Counties of Ingham and Clinton
Barry County Non-MSA	Limited-scope	Partial County of Barry

Appendix B: Summary of State Ratings

RATINGS			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/ Rating
Eaton Community Bank N.A.	Satisfactory	Satisfactory	Satisfactory

(*) The Lending Test and Community Development Test carry equal weight in the overall rating.

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

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. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances. Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of $1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including low- and moderate-income areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): 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: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

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).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

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.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of CD loans and qualified investments, branch distribution, and CD services).

Low-Income: Individual income that is at 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 geography.

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 state/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) 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, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a Core Based Statistical Area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: 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 geography.

Moderate-Income: 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 geography.

Multifamily: Refers to a residential structure that contains five or more units**.**

Multistate Metropolitan Statistical Area (MMSA): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

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.

Prior Period Investments: Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rating Area: A rated area is a state or multistate metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of $1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders’ equity, perpetual preferred shareholders’ equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Unfunded Commitments: Legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Upper-Income: 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 geography.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the "bank" include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) "aggregate" is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/AA. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

Table 7. **Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

Table 8. **Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/AA. The table also presents aggregate peer data for the years the data is available.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2022-2023**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total Number	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate
Lansing-East Lansing MSA 2023	141	19,894	91.56	19,423	2.89	2.13	3.56	16.20	12.77	18.39	47.64	68.79	47.75	33.10	15.60	30.07	0.18	0.71	0.23
Non-MSA 2023	13	1,102	8.44	493	--	--	--	--	--	--	100.00	100.00	100.00	--	--	--	--	--	--
Total	**154**	**20,995**	**100.00**	**19,916**	**2.81**	**1.95**	**3.47**	**15.74**	**11.69**	**17.93**	**49.13**	**71.43**	**49.05**	**32.16**	**14.29**	**29.33**	**0.17**	**0.65**	**0.22**

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2022, 2023 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2024**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	$	% of Total Number	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	% Aggregate
Grand Rapids MSA	3	437	3.70	183	--	--	--	--	--	--	100.00	100.00	100.00	--	--	--	--	--	--
Lansing-East Lansing 2024	78	12,766	96.30	8,425	2.89	--	4.23	16.89	12.82	19.29	50.19	71.79	49.36	29.86	14.10	26.84	0.18	1.28	0.28
Total	**81**	**13,203**	**100.00**	**8.608**	**2.81**	**--**	**4.14**	**16.41**	**12.35**	**18.88**	**51.60**	**72.84**	**50.44**	**29.01**	**13.58**	**26.27**	**0.17**	**1.23**	**0.28**

Source: FFIEC File – 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower **2022-2023**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate
Lansing-East Lansing MSA 2023	141	19,894	91.56	19,423	20.80	11.35	12.84	17.22	24.11	24.62	21.83	24.82	23.55	40.15	24.11	27.48	--	15.60	11.51
Non-MSA 2023	13	1,102	8.44	493	17.38	7.69	6.69	18.44	46.15	25.56	22.12	15.38	23.73	42.05	30.77	30.83	--	--	13.18
Total	**154**	**20,995**	**100.00**	**19,916**	**20.71**	**11.04**	**12.69**	**17.25**	**25.97**	**24.64**	**21.84**	**24.03**	**23.55**	**40.20**	**24.68**	**27.56**	**--**	**14.29**	**11.55**

Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2022, 2023 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2024
Assessment Area:	**Total Home Mortgage Loans**				**Low-Income Borrowers**			**Moderate-Income Borrowers**			**Middle-Income Borrowers**			**Upper-Income Borrowers**			**Not Available-Income Borrowers**		
	#	**$**	**% of Total Number**	**Overall Market**	**% Families**	**% Bank Loans**	**% Aggregate**	**% Families**	**% Bank Loans**	**% Aggregate**	**% Families**	**% Bank Loans**	**% Aggregate**	**% Families**	**% Bank Loans**	**% Aggregate**	**% Families**	**% Bank Loans**	**% Aggregate**
Grand Rapids MSA	3	437	3.70	183	21.65	--	17.49	24.39	33.33	33.88	21.77	--	24.04	32.18	66.67	15.85	--	--	8.74
Lansing-East Lansing 2024	78	12,766	96.30	8,425	21.08	11.54	9.88	17.46	20.51	23.8	21.95	24.36	23.56	39.51	34.62	30.68	--	8.97	12.08
Total	**81**	**13,203**	**100.00**	**8,608**	**21.10**	**11.11**	**10.04**	**17.64**	**20.99**	**24.01**	**21.94**	**23.46**	**23.57**	**39.32**	**35.80**	**30.37**	**--**	**8.64**	**12.01**

Source: FFIEC File – 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%