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MACATAWA BANK CORP

Form 425

November 29, 2001

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Subject Company: Grand Bank Financial Corporation
Commission File No.: 000-00000

Date: November 29, 2001

MACATAWA
BANK
Your Community Bank

GRAND
GB
BANK

Macatawa Bank Corporation
&
Grand Bank Financial Corporation

Merger Transaction
November 21, 2001

Conference Call and Webcast Information

Macatawa Bank Corporation will host a conference call at 10:30 a.m. EST on Thursday, November 29, 2001. The number to call is (800) 309-9485. A taped rebroadcast of the call will be available beginning at 1:00 p.m. EST, Thursday, November 29, 2001, and conclude at 11:59 p.m. EST, Friday, November 30, 2001. To access the replay, dial (800) 642-1687 and enter the conference ID # 2510767. A webcast of this call can be found in the Investor Information tab at www.macatawabank.com.

Forward Looking Statements

When used in this document or other public shareholder communications, in filings with the Securities and Exchange Commission, or in oral statements made with the approval of an authorized executive officer, the words or phrases "believe", "will likely result", "are expected to," "will continue," "is anticipated", "estimate," "project," "plans", or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation reform Act of 1995. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date made. Various factors could cause actual results to differ materially from the results anticipated or projected. These factors include, but are not limited to, the following: (1) expected cost savings and synergies from the merger might not be realized within the expected time frame; (2) revenues following the merger could be lower than expected; (3) costs or difficulties related to the integration of the businesses of Macatawa Bank Corporation and Grand Bank Financial Corporation might be greater than expected; (4) the requisite shareholder and/or regulatory approvals of the transaction might not be obtained; (5) deposit attrition, operating costs, customer loss and business disruption following the merger may be greater than expected; (6) competitive pressures among depository institutions; (7) the credit risks of lending activities; (8) changes in the interest rate environment and in the demand for

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loans; (9) general economic conditions, either nationally or in the states in which the combined company will be doing business, might be less favorable than expected; (10) new legislation or regulatory changes; and (11) changes in account principles, policies or guidelines.

We do not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statement is made.

Additional Information

A registration statement on Form S-4 will be filed with the Securities and Exchange Commission in connection with the proposed transaction. The registration statement will include a joint proxy statement/prospectus which will be sent to the shareholders of both Macatawa Bank Corporation and Grand Bank Financial Corporation seeking their approval of the proposed transaction. Investors and security holders are advised to read the registration statement and joint proxy statement/prospectus because they will contain important information. When filed, these documents can be obtained free of charge from the web site maintained by the SEC at www.sec.gov. These documents also can be obtained free of charge upon written request to Macatawa Bank Corporation, Investor Relations, 348 South Waverly Road, Suite 2C, Holland, MI 49423 or by calling (616) 820-1444.

Macatawa Bank Corporation and its directors and executive officers may be deemed to be participants in the solicitation of proxies from Macatawa Bank Corporation shareholders to approve the merger. Information about these participants may be obtained through the SEC's web site from the definitive proxy statements to be filed with the SEC by Macatawa Bank Corporation. Additional information regarding the interests of these participants, as well as information regarding the directors and executive officers of Grand Bank Financial Corporation, may be obtained by reading the joint proxy statement/prospectus regarding the proposed transaction when it becomes available.

Overview of Macatawa Bank Corporation

Established in 1997

Total assets of \$634 million, deposits of \$502 million, and loans of \$507 million

Locations in Ottawa, Kent and Allegan Counties

- 10 locations in Ottawa County
- 2 locations in Kent County
- 2 locations in Allegan County

Strong retail presence in Ottawa County

Focus on small to middle market commercial lending. Commercial loans 72% of total loans.

Outstanding asset quality

- Nine month 2001 annualized net charge-off's of only 8 basis points
- Non-performing assets to total assets at September 30, 2001 of 0.10%
- Allowance for loan loss to non-performing loans at September 30, 2001 of 1,158%

Market capitalization at November 20, 2001 of \$89 million

Overview of Grand Bank Financial Corporation

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Established by a private investor group in 1987 with community and private bank focus

Total assets of \$252 million, deposits of \$213 million, and loans of \$220 million

Provides high customer service focus from single location in downtown Grand Rapids

Most recent two year compound annual asset growth rate of 20%

Excellent net charge-off history and credit quality

- Nine months 2001 annualized net charge-offs of zero
- Non-performing assets to total assets at September 30, 2001 of 0.04%
- Allowance for loan loss to non-performing loans at September 30, 2001 of 3,132%

Financial Summary

Transaction Structure: 100% Stock Swap

Surviving Holding Company Entity: Macatawa Bank Corporation

Fixed Exchange Ratio: 17.5979 Macatawa shares per Grand share

New Shares to be Issued: 2,375,000 New Shares

Market Value of Transaction: \$40 million based on MCBC closing price of \$16.75 on November 20, 2001

Grand Valuation:

- Multiple of Book Value 2.4 times
- Multiple of Earnings 15.98 times trailing twelve months

Dividend: Current MCBC rate of \$.08 per quarter

Accounting - Tax Treatment: Purchase Accounting - Tax-free Exchange

Corporate Summary

Banking Subsidiaries*: Macatawa Bank - Philip J. Koning, President/CEO
Grand Bank - Thomas J. Wesholski, President/CEO

Board of Directors: Current MCBC directors plus additional director added from Grand Bank Financial

Expected Closing: 2nd Quarter 2002

Required Approvals: MCBC and Grand shareholders and customary regulatory approvals

* Grand Bank Financial Corporation will be merged into MCBC. Mr. Charles Stoddard, current Chairman/CEO and founder of Grand Bank, will retire upon

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consummation of the merger to devote more time to church and volunteer activities.

Transaction Rationale

Expands Macatawa footprint more rapidly into Grand Rapids market (largest financial market in West Michigan)

Grand Bank provides additional management expertise and market presence in Grand Rapids

- Excellent commercial lending and private banking groups
- Trust department leadership
- Platform for branch expansion with local bank that has been in GR market for 15 years

Grand Bank shareholders and board of directors are influential individuals in Grand Rapids and West Michigan area

Accretive to Macatawa earnings

Increased investor visibility

- Combined entity approaching \$1 billion in assets
- Market capitalization greater than \$100 million
- Provides increased liquidity to shareholders

Allows MCBC to leverage expanding products and services across larger customer base

Improved Presence in Strong Banking Market

	Kent County -----	Ottawa County -----
Market Deposit Base (1)	\$8.5 billion	\$2.6 billion
Population (2)	574,000	238,000
Median Household Income	\$50,000	\$51,000

(1) Source - FDIC/OTS Summary of Deposits at June 30, 2000

(2) Source - Census Bureau 1999

Transaction Synergies

The following amounts represent expected annual cost savings on a full year basis for 2002.

Cost savings are expected to be 70% realized in 2002, 100% in 2003.

Estimated annual 2001 non-interest expense for Grand Bank is \$7 million.

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	\$ in 000's

- Salary & Benefit plan related	\$ 500
- Operations expense related	70
- Other overhead related	130

	\$ 700

Projected 2002 Earnings Impact

	\$ in 000's

MCBC estimated earnings	\$ 7,100
Grand Bank estimated earnings	3,000
After-tax cost savings	462
Purchase accounting amortization	(290) (1)

Pro Forma 2002 Net Income	\$10,272
	=====
Street estimates EPS for MCBC	\$ 1.31
Pro Forma EPS	\$ 1.32 (2)

(1) Estimated core deposit amortization

(2) Full year diluted shares outstanding based on 2,375,000 new shares =
7,791,000 shares

Pro Forma Financial Review

Pro Forma Balance Sheet
September 30, 2001

	Macatawa Bank -----	Grand Bank -----	Adjustments -----	Consolidated -----
Cash	38,496	9,775		48,271
Investments	76,050	19,897		95,947
Total Loans	506,669	220,499		727,168
Less Allowance for Loan Loss	7,177	2,913		10,090
	-----	-----		-----
Net Loans	499,492	217,586		717,078
Goodwill & Other Intangibles	-	-	23,211	23,211
Other Assets	19,761	4,646		24,407

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Total Assets	633,799	251,904		908,914
Demand Deposits	119,218	111,887		231,105
Time and Savings Accounts	383,270	100,798		484,068
Total Deposits	502,488	212,685		715,173
Borrowed Funds	62,588	19,293		81,881
Other Liabilities	2,895	3,356		6,251
Total Liabilities	567,971	235,334		803,305
Capital	65,828	16,570	23,211	105,609
Total Liabilities & Owners Equity	633,799	251,904		908,914
Shares Outstanding	5,307,201	134,959		7,682,201
Book Value per Share	12.40	122.78		13.75
Tangible Book Value Per Share	12.40	122.78		10.73
Equity/Assets	10.39%	6.58%		11.62%
Leverage Ratio	10.37%	6.82%		9.38%
Total Risk Based Capital Ratio	13.60%	10.20%		12.54%

DEPOSITS

Macatawa Bank

CD's <\$100K
19%

Savings & MMDA
35%

CD's > \$100K
19%

Brokered CD's
3%

DDA & Int. on Checking
24%

Grand Bank

CD's <\$100K
12%

Savings & MMDA
6%

CD's > \$100K
11%

Brokered CD's
18%

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DDA & Int. on Checking
53%

Combined

CD's <\$100K
17%

Savings & MMDA
26%

CD's > \$100K
17%

Brokered CD's
8%

DDA & Int. on Checking
32%

Macatawa Bank

Mortgage
14%

Consumer
14%

Comm'l
72%

Grand Bank

Mortgage
4%

Consumer
14%

Comm'l
82%

Combined

Mortgage
11%

Consumer
14%

Comm'l
75%

Macatawa Bank Corporation

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Financial Information (\$ in 000's)	1998	1999	2000	9 months 2001
Total Assets	\$189,229	\$344,921	\$499,813	\$633,799
Total Investment Securities	27,007	28,281	48,669	68,050
Total Loans	137,882	285,374	410,676	506,669
Total Deposits	166,989	279,390	398,617	502,488
Total Equity	19,611	34,526	38,128	65,828
Net Income	(2,489)	693	3,349	3,644
EPS(diluted)	(1.18)	0.22	0.90	0.84
Avg. Diluted Shares O/S	2,103,178	3,216,625	3,711,051	4,327,708
Ratio Analysis				
ROA	-2.70%	0.26%	0.80%	0.87%
ROE	-15.15%	2.72%	9.31%	9.96%
Efficiency ratio	110.84%	78.02%	67.94%	61.66%
Allow. for loan loss as % of total loans	1.47%	1.40%	1.43%	1.42%
Net charge-offs to avg. loans	0.00%	0.00%	0.02%	0.06%

Grand Bank Financial Corporation

Financial Information (\$ in 000's)	1998	1999	2000	2001
Total Assets	\$149,022	\$178,665	\$223,930	\$251,111
Total Investment Securities	14,938	11,834	14,433	19,111
Total Loans	123,347	149,503	180,850	217,111
Total Deposits	124,419	152,066	193,587	212,111
Total Equity	11,313	12,727	14,865	16,111
Net Income	1,564	1,777	2,251	1,111
EPS(diluted)	11.86	12.95	16.35	11.11
Avg. Diluted Shares Outstanding	131,872	137,220	137,675	137,111
Ratio Analysis				
ROA	1.11%	1.06%	1.12%	1.11%
ROE	14.98%	14.75%	16.32%	15.11%
Efficiency ratio	65.05%	65.70%	61.64%	60.11%
Allow. for loan loss as % of total loans	1.34%	1.31%	1.30%	1.31%
Net charge-offs to avg. loans	0.00%	0.00%	0.06%	0.00%

Macatawa Bank Corporation held a conference call on Monday, November 29, 2001, at 10:30 a.m. EST.

Molly: Good morning. My name is Molly and I will be your conference facilitator today. At this time I would like to welcome everyone to the Macatawa Bank Corporation Merger Conference Call. All lines have been placed on mute to prevent any background noise. After the speaker's remarks, there will be a question and answer session. If you would like to ask a question during that time, simply press the number 1 on your

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telephone keypad and questions will be taken in the order they are received. If you would like to withdraw your question, press the pound key. Macatawa and Grand Bank Financial Corporation announce the Merger Agreement on Wednesday, November 21, 2001. Additional copies of the press release can be received by contacting the company at (616) 820-1435. Presentation materials were sent either as a PowerPoint file by e-mail this morning or faxed to respective recipients. If anyone was unable to receive and open the e-mailed PowerPoint file, please contact Angie at this time and (616) 820-1444 to request a fax copy sent to you. A reminder that this call may involve certain forward looking statements such as projections of revenue, earnings, statements on the plans and objectives of management, statements of future economic performance and the assumptions underlying these statements. The results of the company performance may differ materially from any forward looking statements. The company incorporates by reference various risks factors as outlined in recent Securities and Exchange Commission filings that could materially affect the company's financial results. The company assumes no obligation to update any forward looking statements made in this call. At this time, I would like to now turn the call over to Mr. Ben Smith. Thank you Mr. Smith. You may begin your conference.

Ben Smith:

Thank you Molly. Thanks each of you for joining us for this conference. With us today is Phil Koning who is President and Chief Operating Officer, Steve Germond, CFO and we also have Ray Tooker, head of the Lending functions here. What we will be doing today is hopefully most of you have received either by e-mail or fax the information that was sent out. We are going to try to walk through that rather quickly to give you a better feel of the environment both from an operating standpoint for Macatawa Bank and Grand Bank as well as the geographic area. We are pretty excited about this merger. We think it gives the opportunities for our shareholders a substantial lift because of it. So let me first begin giving a little overview of Macatawa. You will recall that Macatawa was formed just about 11 years ago, almost exactly, or four years ago. It was the 11th in November of 1997. Our first office was in Zeeland. Our second office opened in Holland around Christmas time of that year. Today we've grown to 14 different locations primarily focused in the Ottawa County area which is around the Holland/Zeeland area. Total assets are \$634,000,000, deposits \$502,000,000, loans \$507,000,000 and we should have profits in excess of \$5,000,000 this year. We have a strong retail presence in Ottawa County. Our focus has been on our communities small and middle market commercial lending. Our loan portfolio is heavily weighted about 70 - 72% in the commercial loan area. The loan quality has remained very high quality. The nine months ending in September, the annualized charge off were only .08%, nonperforming assets to total assets were 0.10%, allowance for loan lost to nonperforming is 1,158%, and the market cap of Macatawa at the end of November was approaching \$90,000,000.

Grand Bank Financial or Grand Bank Financial Corporation is a holding company for Grand Bank. It was also established by a private group of investors back in 1987. Their focus was on their communities and on private banking. They have one

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office located in downtown Grand Rapids. Their total assets are \$252,000,000, deposits \$213,000,000, and loans \$220,000,000. They provide a high customer service focus from their single location. They have had good growth as you can see from the numbers that were sent with you and I think we will talk a little bit about those later. The last two years the annual growth is 20% or better. They also have an excellent charge off history relative to credit. For the nine months ending in September this year, they had no chargeoffs, their nonperforming are .04% and the allowance for loan loss to nonperforming is 3,132%.

In terms of the structuring of the transaction, this will be 100% stock transaction. The surviving holding company will be Macatawa Bank Corporation. It was done at a fixed exchange ratio. We will be giving 17.5979 Macatawa shares for each outstanding share of Grand Bank. New shares issued will be approximately 2,375,000 shares and the market value of the transaction valued as November 20th would be approximately \$40,000,000. Based on those numbers, the multiple book value is about 2.4 and multiple of earnings is about 15.98 times trailing 12 months. The dividend rate that Macatawa currently has is 8 cents per share per quarter and that is expected to be continued. It will be a tax free exchange and we will be using purchased accounting. In terms of a corporate summary of what we will see once the transaction is completed, Grand Bank Financial Corporation will cease to exist. It will merge into Macatawa Bank Corporation. At that time, Mr. Charles Stoddard, the current Chairman and CEO and the founder of Grand Bank will retire upon the consummation and devote more time to church and volunteer duty. We wish him well and will miss his participation. It was his vision that made Grand Bank the success it is today. The two subsidiaries will then be Macatawa Bank which Phil Koning is President and CEO and Grand Bank and Tom Wesholski is President and he will assume the title of CEO. From Macatawa Board of Directors, we currently have five people on the Board of Directors and we will be adding one additional person from the Grand Bank Financial Corp. board. We expect to close the transaction early in the second quarter of next year. They'll be the normal regulatory approval. We will also have a shareholder vote from both Grand Bank and Macatawa Bank shareholders. The rationale of the transaction is probably a lot easier for us to see knowing the locale than some of you who are located out of the area. But this expands Macatawa's footprint more rapidly into the Grand Rapids market and the Grand Rapids market is the largest market in West Michigan. I guess we've got some figures on that on the next page but let me talk about that now.

Ottawa County's market is about \$2.6 billion. The Kent County market which is really the Grand Rapids market, is about \$8.5 billion so it is almost three times the size of the market that we are currently operating in. Grand Bank also provides additional management expertise and important significant market presence in the Grand Rapids area. They have an actual commercial loaning staff and reputation and they also have a high quality private bank group. They have a good trust department that is well established and been in town for quite some time. They will provide us a platform for branching with a local bank that has been in the Grand

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Rapids market for over 15 years. Another important feature is the cultures. The two cultures of Grand Bank and Macatawa Bank are very similar inasmuch as they are focused on a high level of personal services. We think that that is something that as these Banks continue to merge often gets left by the wayside. Grand Bank shareholders and Board of Directors are all influential businessmen in Grand Rapids and West Michigan. That will enhance our relation with a lot of important people in our market area. We will talk a little bit, Steve will talk you through some numbers and will be accretive to our earnings. We also believe that we will get increased investor visibility. We will hopefully have increased liquidity as shareholders. The combined entity should be at a billion dollars very quickly and the market capitalization after consummation will be over \$100 million. This allows us also and we are expanding to leverage products and service across a whole different customer base. When we originally set up Macatawa, our primary focus was for the mutual benefit of our customers, our employees, our communities and our shareholders and we did so, you may recall, as a result of FMB being taken out and no local bank in the Holland/Zeeland area. What had happened subsequent to that last year, Old Kent which was the horse in the Grand Rapids market was also acquired. We believe that that market also has the same needs that our does and by joining with the Grand Bank people we can fill that need. We also believe that from a shareholder standpoint, what that allows us is a much longer path of growth that we can realize. So we look at this as a very important strategic move. Now I will ask Steve to share with you some of the numbers and I will add that we normally don't share projection numbers. I mean, we'll help you a little bit but we don't give forecasts nor do we expect to start but because of the size of the transaction significance we will do this time but this will be kind of a one shot deal. Steve.

Steve Germond:

Thank you Ben. I would like to speak to the next two slides you have, the first being the transaction synergies. This shows expected initial cost reductions. Initially we estimate that about 10% of Grand Bank expense will fall to the bottom line as a cost save. Primarily these are captured in three areas that you can see on the slide. The lower salary and benefits consist of reduction in pay for Mr. Stoddard's retirement as well as benefit plan changes. Initially we don't expect to have significant savings from consolidation of operations. We will work toward improving them down the road, so that's the smaller number. But we do also expect to have some other savings in other overhead areas that consist of things like insurance and audit fees as well as contributions.

As Ben talked on the next slide, as a matter of policy we don't customarily release internal projections of income. We do feel it is important and relevant to do so in this situation to demonstrate our earnings per share implication. The pro forma 2002 net income for the combined Banks for a full year is projected at \$10.3 million. This based on a weighted average shares outstanding, which includes the new stock issued as well as options that would be converted to Macatawa options, and therefore their weighted implications would give us a pro forma earnings per share of about \$1.32, I think the consensus estimate out there is about \$1.31. We

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do feel that this is a good transaction from an earnings per share standpoint. I am going to turn it over to Phil Koning. He's going to talk about the rest of the pro formas and then we will come back to that.

Phil Koning:

Thank you Steve. I would like to very quickly review the current financial status of each bank and what the combined entity would look like. The pro forma balance sheet shows a combined entity at September 30, 2001 which is over \$900 million in assets. Obviously by the time the transaction is complete we will be approaching \$1 billion. The combined entity still has a reasonably strong equity base from which to grow and the dominant balance sheet items of deposits and loans are expanded on in the next two pages.

The next page of the presentation shows the deposit make up of each bank and of the combined entity. We believe it shows a stable and well-diversified funding base for our banks to grow from. Then the next page shows the presentation of the loan composition of each bank and the combined entity. Our loan portfolios are concentrated in the commercial lending area, although those portfolios are quite diversified and we have got Ray Tooker here who can answer some questions. He was part of the due diligence team on the loans at Grand Bank and obviously knows our portfolio very well.

The next two pages show the historical financial performance of both banks. Both institutions show excellent growth, improving financial performance and excellent credit quality. We believe the combined entity can continue to grow and improve its efficiency, and profitability. With that - I think that kind of gives you a good summary and overview and maybe a place to start if you have any specific questions that we may address.

Molly:

Any questions at this time. At this time I would like to remind everyone in order to ask a question please press the number 1 on your telephone keypad. Your first question comes from John Arfstrom of RBC Capital Markets.

John Arfstrom:

Good morning guys.

Several people:

Good morning John.

John Arfstrom:

We talked like it a little bit, but this looks like a good deal. Ben, can you talk a little bit about how the deal came about?

Ben Smith:

I think I tried to allude to that John. What happened was Macatawa from day 1, is we have been fortunate to take advantage of situations that occurred in the marketplace. And when we originally started, in 3-4 years we were figuring we were going to be \$200 million, but obviously things went our way. We had a similar occurrence when Old Kent, who was a very good competitor, long time stalwart in our area, surprisingly sold out to Fifth Third. Quite a void, significant void left in the Grand Rapids market. We already had two branches in the Grand Rapids area and at that point in time were trying to determine where we were going to concentrate in the Grand Rapids market and how it was best to attack that market, because clearly, as I pointed out - I mean they have three times the deposit base

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that we have in our current market - and one of the things we felt had been our strength had been our culture and had been the fact that we were basically a community bank. And when you look at the Grand Rapids market there was one other independent entity that had the exact same - what we thought was the same culture or the same direction and everything else, and so we approached them, why you know we're going to come into the market and we know you want to expand, and would it make more sense for us to do it together than it would separately and, you know, one thing led to another and I think we've arrived at a fair deal for everyone and I think that the result will be a pretty dynamic organization which has an awful lot of potential.

John Arfstrom: Okay, and then you talked about similar philosophies, and maybe this is a good question for Ray. In terms of underwriting philosophy and credit culture, or can you talk about similarities or differences and what is the culture that survives?

Ray Tooker: John, it's a - it is a very similar underwriting culture. Their lead lender there, Bill Fickes, has been known to us for a number of years, back from his days at Michigan National. Strong mortgage background, commercial real estate oriented, good strong cash flow lenders. They have a very similar approach to utilizing some limited individual loan authorities and then using a committee approach which is very similar to ours. Their loan rating system is almost identical to ours, so a lot of similarities there. I think that, to be honest, the cultures right now are very similar. I honestly don't see a lot of changes. We have done some work with these fellows over the years or participations and we both look at the lending world in a very similar manner.

John Arfstrom: Okay. And then a couple of more - Steve, do you have how much of the acquisition related goodwill is going to be attached to the deposits. How much becomes CDI?

Steve Germond: Yes. We think, John, on a preliminary estimate, that about \$3.6 million would be core deposits of \$23 million that we showed on that pro forma balance sheet.

John Arfstrom: Okay. And then last question, probably Ben. In terms of the shareholder base can you talk a little bit about that on terms of what the base looks like?

Ben Smith: The shareholder - their shareholder base is about 125 shareholders, primarily local residents, local business people, and it's fairly wide held - widely held bank.

John Arfstrom: Okay. Good. Thanks a lot guys.

Molly: Our next question is from Joe Stevens, an analyst.

John Rotis: Good morning guys, this is actually John Rotis. How are you doing?

Everyone: Good....

John Rotis: Actually, I guess most of my questions have been answered, but I guess I would go back to the breakout of the \$23 million in goodwill. If \$3.6 million is core deposits, what

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is the average life we are using for those, I guess as far as how you're going to amortize them?

Steve Germond: When we looked at the estimate on that, we've got about a 12-year average life projected.

John Rotis: Okay. Okay, and are you just going to, like, use straight line method?

Steve Germond: No, we'll use a - It'll be more up front.

John Rotis: Okay.

Steve Germond: And then declining as we go down.

John Rotis: Okay. Maybe, Ben I guess this question might be for you. I am just kind of wondering what kind of growth rates are you guys going to assume going forward for the Grand Rapids area and do you think there would be any more acquisitions or anything like that, I guess going forward?

Ben Smith: I'll speak first to the growth rate. Our growth rate - Macatawa's growth rate has held up extremely well. We think it will continue to hold up strong. We expect Grand Rapids bank to actually accelerate. They have been somewhat restrained because of their one location. We anticipate helping them branch as soon as they're able to do so, and so we would see their growth rate at least equaling Macatawa's, if not being slightly greater. In terms of other acquisitions we are not acquisition-minded. Usually when you end up with an acquisition you end up with cultural problems. You end up with growth rate problems because we know what we can do and we've been pretty fortunate in having the right formula and the right area, and we are not anxious to go out and acquire someone who's going to make that task any harder. I think this was a unique situation that we tried to take advantage of because we thought it assured us a stronger growth for a longer number of years without having to worry about, you know, what's going to happen five years down the road because this market will allow us to grow for, you know, 15% to 20% a year for a long time.

John Rotis: Okay, nice deal guys.

Everyone: Thank you.

Molly: At this time there are no further questions.

Ben Smith: If not, we certainly appreciate everyone tuning in. If you have any questions we are around. We also apologize for the delay in the informational meeting, but that was primarily due to the holiday schedules, and so I hope you all understand. Thanks again for calling in.

END OF CALL