

DONNELLY PENMAN & PARTNERS

INVESTMENT BANKING

Fentura Financial, Inc. has Sold its Subsidiary West Michigan Community Bank to Investors Affiliated with Northstar Financial Group, Inc.

West Michigan Community Bank (“West Michigan”)

West Michigan, headquartered in Hudsonville, Michigan, as a subsidiary of Fentura Financial, Inc. (“Fentura”) had assets of approximately \$123 million as of December 31, 2010. West Michigan provides traditional banking services and products through four banking offices serving Ottawa County in west Michigan.

January 2011



(Hudsonville, MI)

a subsidiary of

FENTURA FINANCIAL, INC.

has been acquired by

a group of investors affiliated with

NORTHSTAR FINANCIAL GROUP, INC.

The Transaction

Fentura, based in Fenton, Michigan, completed the sale of West Michigan to a group of investors affiliated with Northstar Financial Group, Inc. (“Northstar”) on January 31, 2011. Northstar is the holding company for Northstar Bank (Bad Axe, MI) and Seaway Community Bank (Saint Clair, MI).

The sale of West Michigan is anticipated to improve Fentura’s pro forma Tier 1 leverage capital ratio and pro forma total risk-based capital. Also, it is expected that proceeds from the transaction and the future liquidation of nonperforming assets will be utilized to strengthen the capital position of State Bank (a subsidiary of Fentura) and for other general corporate purposes.

Donnelly Penman & Partners acted as financial advisor to Fentura in connection with the transaction. Please contact **John Donnelly** at (313) 393-3054 or **Andrew Christians**, CFA at (313) 393-3074 for further information.

Donnelly Penman & Partners

Donnelly Penman & Partners is one of the largest independently owned investment banking firms headquartered in the Midwest. We provide comprehensive advisory services to both public and private companies, including mergers and acquisitions, capital raising, due diligence, and general financial advisory services. In addition, we are a [FINRA](#) licensed broker dealer and member [SIPC](#).

Donnelly Penman & Partners is owned by the employees of the firm, who have participated in more than 225 transactions since the firm's inception in September 2000 and collectively have more than 85 years of investment banking experience.

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