

July 16, 2019

Dear Shareholders and Friends, Ladies and Gentlemen,

We are pleased to present to you selected financial highlights of Huron Community Financial Services, Inc. (HCFSI) and Huron Community Bank (HCB) for the period ending June 30, 2019.

HCFSI (In Thousands)

Net Income for our holding company through June 30, 2019 was \$1,009 as compared to \$832 for the same period last year. Return on Average Equity was 7.60% and Return on Average Assets was 0.93% compared to 6.85% and 0.81% respectively at June 30, 2018. Book value of your common stock is \$48.09, and Earnings per Share are \$1.78. At June 30, 2019 the share-holder equity is \$27,456.

HCB (In Thousands)

Net Income through the end of the second quarter 2019 was \$1,059 compared to \$879 for the same period last year. June 30, 2019 Return on Average Equity was 8.49% with Return on Average Assets of 0.99% compared to 7.59% and 0.87% respectively at June 30, 2018. Total assets at the end of the second quarter were \$217,072 versus \$205,614 in 2018. Total loans ended the second quarter at \$145,029 while total deposits were \$176,515.

Year to Date Financial Performance

The second quarter continued to show solid performance for your bank as second quarter results for net income were ahead of budget and actual year over year. The improved performance is a result of the increased return we are experiencing on our loan portfolio and a decrease in many operating expenses. Total outstanding loans at the end of June 2019 were \$145.0 million compared to \$148.0 million at June 2018 month end.

Commercial loan activity remains strong and our pipeline is loaded with loans we anticipate closing in the 3rd and 4th quarters. The mortgage business picked up nicely in the second quarter, however, the real estate market is still limited by the lack of inventory. This limited inventory has kept prices strong and forced some buyers to seek out Home Equity loans to remodel their existing homes instead. Locally, the retail and manufacturing sectors were steady. On a national level, the political noise has clouded the Federal Reserve Bank's plan. Forecasters are leaning towards a rate reduction in the Fed Fund Rate even though unemployment and inflation remain low.

Cash Dividend Declared

Your Board of Directors declared a cash dividend of \$0.38 per share to shareholders of record at July 5, 2019. This represents the 102nd consecutive quarter in which a cash dividend has been paid to our shareholders. The dividend was paid on July 15, 2019. If you are not already enrolled in our dividend reinvestment program, I would encourage you to do so. It is a great way to increase investment in the bank!

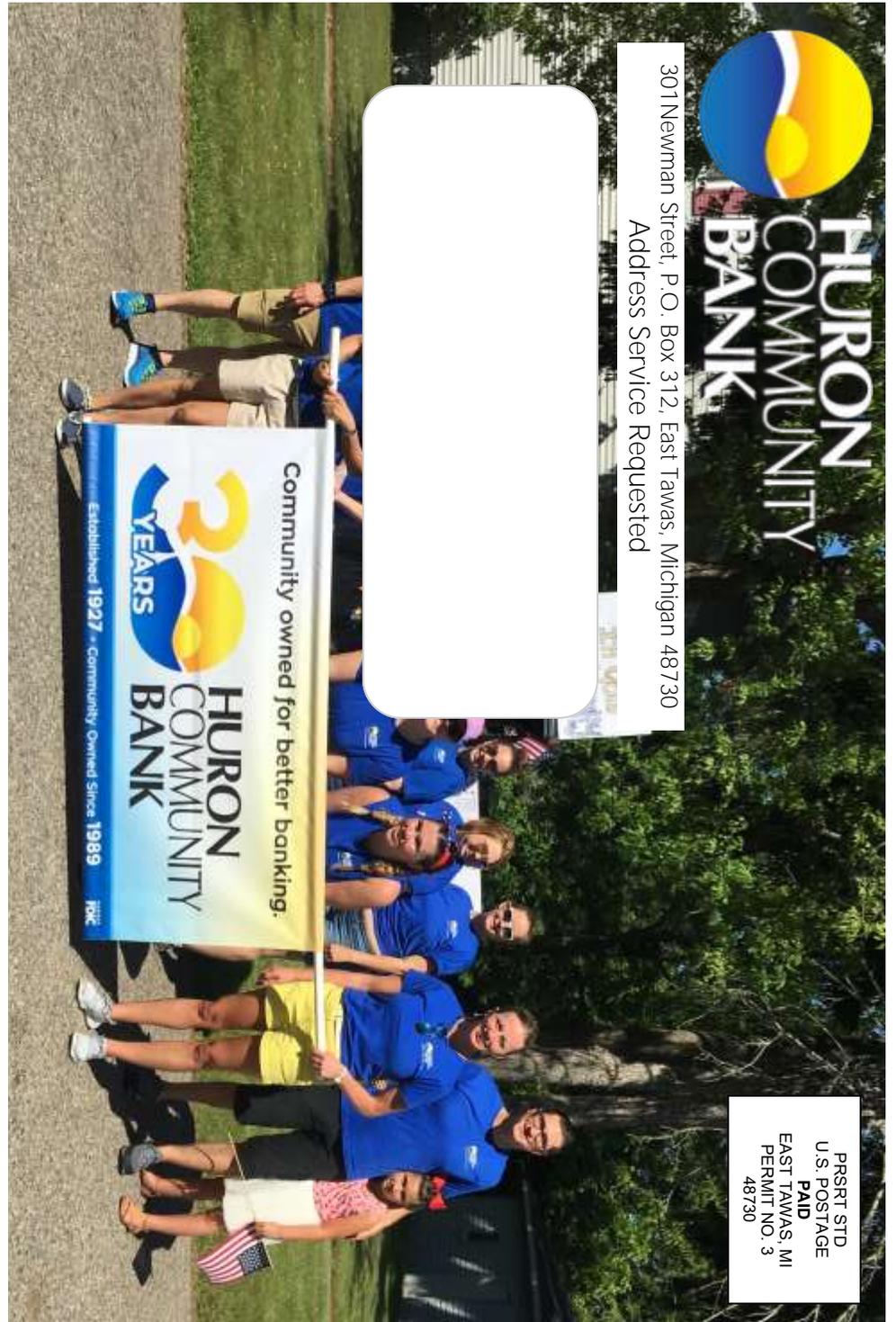
As always, I encourage you to reach out to me if you should have any questions or concerns. We appreciate your continued support and investment in HCFSI/HCB and "Community Banking" as we continue to make a difference in people's lives.

The ladies and gentlemen of HCB thank you for your support and welcome your comments.

Sincerely,



Jeff Loomis
President & CEO



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HCFSI Consolidated Balance Sheet
 (000's Omitted)

HCFSI Consolidated Report of Income
 (000's Omitted)

Huron Community Bank
Financial Highlights

ASSETS	(Unaudited) 6/30/2019	(Unaudited) 6/30/2018	Six Months Ended	(Unaudited) 6/30/2019	(Unaudited) 6/30/2018	PROFITABILITY	(Unaudited) 6/30/2019	(Unaudited) 6/30/2018
Cash & Due From Banks	\$ 29,347	\$ 17,078	Interest on Loans	\$ 3,627	\$ 3,396	Net Income (in thousands)	\$ 1,059	\$ 879
Investment Securities	33,211	31,336	Interest on Investments	751	518	Return on Assets - Year-to-date annualized	0.99%	0.87%
Total Loans	145,028	147,985	TOTAL INTEREST INCOME	4,379	3,914	Return on Equity - Year-to-date annualized	8.49%	7.59%
Allowance for Loan Loss	(1,808)	(1,908)	INTEREST EXPENSE	481	309	Net Interest Margin - Year-to-date annualized	3.91%	3.81%
Net Loans	143,221	146,077	NET INTEREST INCOME	3,897	3,604			
Bank Premises & Equipment	2,715	2,643	Fees on Loans	205	170	SELECTED BALANCES (In Thousands)		
Accrued Interest Receivable	643	547	Other Income	488	500	Total Assets	\$ 217,072	\$ 205,614
Intangible Assets	405	405	Total Other Operating Income	692	670	Total Loans	\$ 145,029	\$ 147,986
Other Assets	8,468	8,448	Salaries and Benefits (net)	1,892	1,858	Total Deposits	\$ 176,515	\$ 171,623
TOTAL ASSETS	\$ 218,011	\$ 206,533	Fixed Expense	425	398	Stockholder's Equity	\$ 26,200	\$ 23,490
			Variable Expense	1,045	1,008			
LIABILITIES & EQUITY			Loan Loss Provision	35	19			
Total Deposits	\$ 176,250	\$ 171,571	Loss (Gain) on Assets	(8)	10			
Repurchase Agreements	3,395	6,251	Other Operating Expense	3,390	3,293			
FRB/FHLB Borrowings	10,000	0	NET INCOME BEFORE INCOME TAXES	1,200	981			
Other Liabilities	910	4,243	FEDERAL INCOME TAXES	191	149			
TOTAL LIABILITIES	190,555	182,065	NET INCOME	\$ 1,009	\$ 832			
Common Stock	571	555	Basic Earnings Per Share	\$ 1.78	\$ 1.50			
Surplus	18,234	17,389	Book Value Per Share	\$ 48.09	\$ 44.10			
Retained Earnings	8,331	6,914	Cash Dividends Declared Per Share	\$ 0.76	\$ 0.60			
Unrealized Gain(Loss) Inv. Sec. AFS	320	(391)						
TOTAL SHAREHOLDERS EQUITY	27,456	24,468						
TOTAL LIABILITIES & EQUITY	\$ 218,011	\$ 206,533						

HURON COMMUNITY FINANCIAL SERVICES, INC.
BOARD OF DIRECTORS

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 Matthew W. Buresh
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