



INTERMEDIATE SMALL BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

October 22, 2012

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First FS&LA of Greene County
Charter Number 702190

25 E. High Street
Waynesburg, PA 15370-1816

Office of the Comptroller of the Currency

Pittsburgh Field Office
4075 Monroeville Blvd, Suite 300
Monroeville, PA 15146-2529

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, nor should it 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.

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 supporting the institution's rating include:

- First Federal's average loan-to-deposit ratio is satisfactory, and meets the standards for satisfactory performance;
- A majority of First Federal's loans were originated within the bank's combined assessment area;
- First Federal's record of lending to borrowers of different income levels reflects reasonable penetration;
- The geographic distribution of loans reflects excellent dispersion in low- and moderate- income census tracts; and
- First Federal's responsiveness to community development needs and opportunities in its assessment area is adequate considering the bank's size, financial capacity, and competition for community development opportunities.

Scope of Examination

First Federal Savings and Loan Association of Greene County ("First Federal" or "the association") was evaluated under the intermediate small savings association CRA examination procedures, which include a lending test and a community development (CD) test. The lending test evaluates the institutions record of meeting the credit needs of its assessment area (AA) through its lending activities. The CD test evaluates the institution's responsiveness to CD needs in its AA through CD lending, qualified investments, and CD services.

Description of Institution

First Federal is a federally chartered mutual savings association, headquartered in Waynesburg, Greene County, PA. In addition to the main office in Waynesburg, the association has one branch in Carmichaels, Greene County; two branches in Washington and Taylorstown, Washington County; and one branch in Uniontown, Fayette County, PA. The association also has a loan production office in Morgantown, West Virginia. No branches were opened or closed during the review period. First Federal's seven full service branches offer a variety of loan and deposit products. Branches have traditional banking hours Monday through Friday. Drive-up window services and Saturday banking hours are available at four of the seven branch locations and ATMs are available at six of the seven locations. On-line banking services are offered on the association's website. Table 1 lists the locations of the bank's offices and the income level of the census tract in which each is located.

Table 1 – FFSB Offices		
	Office Location	Geography Income Level
1	Main Office: Waynesburg, PA	Middle
2	Office: Waynesburg, PA	Middle
3	Office: Washington, PA	Upper
4	Office: Taylorstown, PA	Middle
5	Office: Charmichaels, PA	Middle
6	Office: Uniontown, PA	Moderate
7	Office: Uniontown, PA	Upper

The institution is a portfolio lender, the bank's mortgage products include fixed rate loans for the purchase, refinance and construction of one- to four-family and multi family dwellings. Consumer loan offerings consist of home equity loans and lines of credit and personal secured and unsecured loans. Table 2 shows the distribution of loans by lending category.

Table 2 - FFSB's Investment in Loans (9/30/2012 Uniform Bank Performance Report)			
Loan Category	Amount (\$000's)	Percent of Total Loans	Percent of Total Assets
1-4 Family Residential Mortgage	\$523,869	93.71%	60.99%
Construction and Development	11,740	2.10%	1.37%
Other Real Estate Loans	8,889	1.59%	1.03%
Consumer	14,535	2.60%	1.69%
Total	\$559,033	100.00%	65.08%

First Federal's total assets as of September 30, 2012 were \$858.9 million. As of the same date, total deposits were \$737.4 million and Net Tier 1 Capital was \$108.9 million.

There are no legal or financial factors impeding the bank's ability to help meet the credit needs in its AA. At the prior CRA examination dated August 30, 2010, First Federal was rated "Needs to Improve."

Description of Assessment Area(s)

First Federal has delineated two separate assessment areas. One includes Fayette and Washington Counties, PA, located in the Pittsburgh, PA Metropolitan Statistical Area (MSA) #38300. The other AA includes Greene County, PA, in a Non-MSA area of the state. The two AAs are contiguous, collectively referred to as the combined assessment area, and contain 101 census tracts (“geographies”). The table below illustrates demographic data within the combined AA.

Demographic Information for Full Scope Area: First Federal AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	101	1.98	37.62	49.50	10.89	0.00
Population by Geography	392,213	1.47	36.80	50.23	11.50	0.00
Owner-Occupied Housing by Geography	117,587	0.67	34.91	51.74	12.68	0.00
Business by Geography	36,235	2.91	30.08	45.65	21.36	0.00
Farms by Geography	1,112	0.36	21.67	64.75	13.22	0.00
Family Distribution by Income Level	108,393	24.09	20.59	21.82	33.50	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	48,434	1.97	46.02	46.46	5.55	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Families Below Poverty Level		42,890 63,279 10.15%	Median Housing Value Unemployment Rate (2012 Bureau of Labor Statistics)		74,855 7.17%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2011 HUD updated MFI

First Federal’s AA consists of Fayette and Washington Counties, PA, which are located within the Pittsburgh, PA Metropolitan Statistical Area (MSA). The combined AA also includes Greene County, a Non-MSA area. The AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income geographies. The total population in the AA was 392,213 as of the 2000 U.S. Census. The average unemployment rate of the combined counties in the AA as of October 2012 was 7.17%. This average was lower than the state of PA at 8.1% and lower than the national average at 7.9% for the same time period. However, future job growth over the next ten years in the AA is predicted to be over 33% to 35%.

Major employers in the AA for Fayette County include the PA state government, Uniontown Hospital, Nemaquin Woodlands Inc., Connellsville Area School District, and Wal-Mart Associates Inc. The major employers in Washington County include the Washington Hospital, Consol Energy, Monongahela Valley Hospital, and State System of Higher Education. In Greene County, the top employers include Consol Energy and

Foundation Coal, Commonwealth of PA public administration, Southwest Regional Medical center, and Waynesburg University.

The median cost of housing in the AA is \$74,855. The Updated Median Family Income for 2011 is \$63,279. The percentage of families below the poverty level is 10.15%. The AA's population is comprised of 108,393 families with the following family income distribution: 24.09% are low-income, 20.59% are moderate-income, 21.82% are middle-income, and 33.50% are upper-income.

According to the June 30, 2012 FDIC Summary of Deposits Market Share Report, First Federal was ranked 20 out of 59 institutions in the Pittsburgh MSA with 0.38% of deposits. Top competitors holding large percentages of the deposit market share include: PNC Bank holding 44.10%, BNY Mellon holding 16.73%, and Citizens Bank of PA holding 7.12%.

We completed one community contact as part of this examination. We contacted a Chamber of Commerce in the bank's AA, within the Pittsburgh, PA MSA. The organization's mission is to create opportunities for members, both small and large employers, through programs that advance the interests of the county's business community. The chamber encourages the growth of existing business, provides assistance to new firms seeking to locate in the county, and advocates actions beneficial to the regional economy. The chamber's funding is both public and private. The contact indicated that small business lending is a credit need for the area. The local economy is benefitting due to Marcellus Shale gas drilling in the area as local restaurants, hotels, and other small businesses are both directly and indirectly involved in the Marcellus Shale project. The contact stated that there are plenty of opportunities for financial institutions to participate with community development, credit-related projects, and lines of credit for the smaller businesses that have been created by Marcellus Shale. The contact also stated that the performance of local financial institutions have been very active over the last five years, even before the Marcellus Shale drilling. The contact explained that the community banks have been very creative and developed partnerships to garner credit relationships that normally the banks individually would not be able to extend credit. Another credit need identified by the contact was that financial institutions continue to be cautious and conservative and need to take more calculated risks. The contact believed that if the financial institutions could understand and better analyze niche industries, they would be in a better position to lend.

Conclusions with Respect to Performance Tests

LENDING TEST

First Federal's performance under the lending test is "Satisfactory." The loan-to-deposit ratio is reasonable. A majority of First Federal's primary loan product, HMDA reportable single family lending, is originated within the combined AA. The record of lending to borrowers of different incomes reflects reasonable penetration. The geographic

distribution of loans reflects adequate dispersion throughout census tracts of different income levels.

Loan-to-Deposit Ratio

First Federal’s quarterly average net loan-to-deposit ratio is reasonable and meets the standards for satisfactory performance. The bank’s quarterly average net loan-to-deposit (LTD) ratio over the six quarter review period was 79.18 percent. During this six-quarter period, this ratio ranged from a quarterly low of 77.42 percent to a quarterly high of 83.65 percent. First Federal’s quarterly average net LTD ratio was slightly lower than other thrift institutions of similar size. The quarterly average net LTD for thrifts of similar size was 85.95 percent over the same six quarters. The ratios ranged from a quarterly low of 83.85 percent to a quarterly high of 89.96 percent during that period.

Lending in Assessment Area

First Federal made a majority of single family mortgage loans within their Combined AA, which meets the standards for satisfactory performance. Throughout the evaluation period, the bank originated 1,009 loans, or 75.41 percent of the number of total HMDA reportable loans within the AA. Additionally the bank originated 68.52 percent of the dollar volume of loans within the AA.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

First Federal’s lending to borrowers of different incomes meets the standard for satisfactory performance. Borrower distribution reflects reasonable penetration among residential real estate loans to borrowers of low- and moderate-income levels.

HMDA-Reportable Lending in Combined AA: July 1, 2010 – December 31, 2011						
Borrower Income Levels	Number	No. Pct.	Dollar (000)	\$ Percent	Percent of Families	2010 Aggregate HMDA
Low = <50%	51	5.05%	\$2,416	2.22%	24.09%	8.20%
Moderate = 50-79%	173	17.15%	12,974	11.93%	20.59%	18.44%
Middle = 80-119%	262	25.97%	25,794	23.72%	21.82%	24.33%
Upper = > 120%	504	49.95%	65,916	60.61%	33.50%	46.11%
Income N/A	19	1.88%	1,650	1.52%	0.00%	2.93%
Total	1,009	100.00%	\$108,750	100.00%	100.00%	100.00%

The distribution of First Federal’s HMDA-reportable lending to low-income borrowers in the combined assessment area of 5.05 percent was significantly below the percentage of low-income families residing in the assessment area of 24.09 percent. The percentage of lending to LMI families is just below the peer lending benchmark of 8.20

percent. The percentage of lending to moderate-income borrowers of 17.15 percent compares well to the percentage of moderate-income families in the assessment area of 20.59 percent, and the peer lending benchmark of 18.44 percent. The bank’s overall performance is considered reasonable when taking into account the family poverty rate of 10.15 percent. Families with incomes below the poverty level would find it difficult to qualify for a home loan.

Geographic Distribution of Loans

The geographic distribution of loans, in the combined AA, reflects excellent dispersion and exceeds the standards for satisfactory performance. The following chart discusses the bank’s performance in the Combined AA:

HMDA-Reportable Lending in Combined AA: July 1, 2010 – December 31, 2011						
Income Level of Census Tract	Number	No. Pct.	Dollar (000)	\$ Percent	% of OOHU (6)	2010 Aggregate HMDA
Low = <50%	8	0.79%	\$302	0.28%	0.67%	0.38%
Moderate = 50-79%	284	28.15%	\$26,914	24.75%	34.91%	22.47%
Middle = 80-119%	653	64.72%	\$72,010	66.22%	51.74%	48.28%
Upper = > 120%	64	6.34%	\$9,524	8.76%	12.68%	28.86%
Total	1,009	100.00%	\$108,750	100.00%	100.00%	100.00%

The percentage of loans First Federal made in low-income census tracts, 0.79 percent, exceeds both the percentage of Owner Occupied Housing Units in the geography of 0.67 percent and the peer lending benchmark of 0.38 percent. The percentage of loans made in Moderate-Income census tracts of 28.15 percent exceeds the peer lending benchmark of 22.47 percent; however, is below the percentage of owner occupied housing units in the geography of 34.91 percent. This performance reflects excellent dispersion and exceeds the standards for satisfactory performance.

Responses to Complaints

The bank has received no complaints concerning their lending performance in the assessment area.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the community development test in the assessment area is "Satisfactory."

First Federal's community development activities in their assessment area demonstrate an adequate responsiveness to the community development needs. Throughout the evaluation period, the bank and its employees engaged in a number of community activities within the bank's assessment area. This section of the performance evaluation summarizes the bank's community development activities. The examiner considered Community Development Activities submitted by the bank from July 1, 2010 through November 31, 2011.

Number and Amount of Community Development Loans

First Federal made one community development loan in the assessment area throughout the six month evaluation period totaling \$600,000. This loan commitment was made in 2012 for a participation loan with another local bank to fund a commercial line of credit totaling \$1.2 million to an industrial development corporation in Greene County. The corporation promotes economic development within Greene County, PA.

Additionally, the bank continued to participate in, and offer various lending programs such as affordable housing program, USDA rural development loans, and partnerships with Washington and Fayette Redevelopment Authorities.

Number and Amount of Qualified Investments

Throughout the evaluation period, First Federal made a \$1 million investment in the CRA fund managed by Community Capital Management. The majority of these funds were used to provide affordable housing within Washington and Fayette Counties. Additionally, First Federal made several contributions to a variety of organizations which promote housing and community development, primarily for LMI areas and/or to LMI individuals, within the combined assessment area. Bank contributions to these CD organizations totaled \$109,000 throughout the review period. Organizations receiving contributions included Community Action Southwest, Uniontown Redevelopment, Greene County United Way, Greene County Children and Youth Services, Fayette County Habitat for Humanity, and Greene County Pre-K Scholarship program.

Extent to Which the Bank Provides Community Development Services

Throughout the evaluation period, bank employees and officers provided financial and technical expertise to 12 qualified community development organizations. Bank personnel have served on Boards, led committees, and held various leadership positions such as treasurer and V.P. The bank has maintained long-standing relationships with these community development organizations. Bank employees have donated over 100 hours to teach students at schools within the AA the importance of

savings and other basic banking. In addition First Federal has provided their services to monitor the disbursement of FHLB grant monies awarded to Greene County for the rehabilitation of a building that will provide six affordable housing units.

Responsiveness to Community Development Needs

The bank’s community development activities, as a whole, demonstrate adequate responsiveness to the community development needs of its assessment area, in particular when considering the bank’s capacity, performance context, and the competition for community development opportunities in the assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS in Fayette and Washington Counties within the Pittsburgh, PA MSA ASSESSMENT AREA

Description of Institution’s Operations in Fayette and Washington Counties within the Pittsburgh, PA MSA Assessment Area

First Federal operates four full service branches in the Pittsburgh, PA MSA, two in Fayette County and two in Washington County. The Pittsburgh, PA MSA assessment area consists of Fayette and Washington Counties, two of the seven counties that make up the Pittsburgh, PA MSA.

Description of Pittsburgh, PA MSA Assessment Area

Below is a summary of demographic information for this AA:

Demographic Information for Fayette and Washington Counties within the Pittsburgh, PA MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	93	2.15	40.86	45.16	11.83	0.00
Population by Geography	351,541	1.64	41.05	44.47	12.83	0.00
Owner-Occupied Housing by Geography	117,587	0.74	38.57	46.68	14.01	0.00
Business by Geography	32,997	3.20	33.03	40.31	23.45	0.00
Farms by Geography	989	0.40	24.37	60.36	14.86	0.00
Family Distribution by Income Level	97,751	24.10	20.64	21.95	33.31	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	43,732	2.18	50.96	40.70	6.51	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Families Below Poverty Level		43,527 64,000 9.83%	Median Housing Value Unemployment Rate (2012 Bureau of Labor Statistics)	76,808 7.60%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2011 HUD updated MFI

Major employment sectors in Fayette County include the state government, healthcare, and the education system. The top key industries in Washington County include healthcare, mining, and the State System of Higher Education. The unemployment rate for Fayette County was 8.4% in October 2012, higher than both the state and national unemployment rates of 8.1% and 7.9%, respectively. The unemployment rate for Washington County of 6.8% was much lower than both state and national rates in October 2012.

LENDING TEST

Lending to Borrowers of Different Incomes

The distribution of loans in Fayette and Washington Counties within the Pittsburgh, PA MSA reflects reasonable penetration and meets the standards for satisfactory performance. The following chart discusses the bank’s performance in Fayette and Washington Counties.

HMDA-Reportable Lending in Fayette and Washington Counties, Pittsburgh, PA MSA: July 1, 2010 – December 31, 2011						
Borrower Income Levels	Number	No. Pct.	Dollar (000)	\$ Percent	Percent of Families	2010 Aggregate HMDA
Low = <50%	38	6.03%	\$1952	2.71%	21.13%	8.47%
Moderate = 50-79%	117	18.57%	8,985	12.49%	17.382%	18.84%
Middle = 80-119%	1173	27.46%	18,494	25.72%	22.01%	24.19%
Upper = > 120%	293	46.51%	41,772	58.08%	39.03%	45.66%
Income N/A	9	1.43%	715	0.99%	0.00%	2.84%
Total	160	100.00%	\$25,047	100.00%	100.00%	100.00%

The distribution of First Federal’s HMDA-reportable lending to low-income borrowers in the assessment area of 6.03 percent was substantially below the percentage of low-income families residing in the assessment area of 24.10 percent; however, the percentage of lending is more reasonable when compared to the peer lending benchmark of 8.47 percent. The percentage of lending to moderate-income borrowers of 18.57 percent compares well to the peer lending benchmark of 18.84 percent as well as the percentage of families in the AA at 20.64 percent. The bank’s overall performance is considered reasonable when taking into account the family poverty rate of 9.96 percent. Families with incomes below the poverty level would find it difficult to qualify for a home loan.

Geographic Distribution of Loans

The geographic distribution of loans, in the Pittsburgh, PA MSA, reflects excellent dispersion and exceeds the standards for satisfactory performance. The following chart discusses the bank's performance in the Pittsburgh, PA MSA AA:

HMDA-Reportable Lending in Fayette & Washington Counties, Pittsburgh PA MSA: July 1, 2010 – December 31, 2011						
Income Level of Census Tract	Number	No. Pct.	Dollar (000)	\$ Percent	% of OOHU (6)	2010 Aggregate HMDA
Low = <50%	8	1.27%	\$302	0.42%	0.74%	0.42%
Moderate = 50-79%	284	45.08%	\$26,914	37.42%	38.57%	24.50%
Middle = 80-119%	274	43.49%	\$35,178	48.91%	46.68%	43.61%
Upper = > 120%	64	10.16%	\$3,524	13.24%	14.01%	31.47%
Total	630	100.00%	\$71,918	100.00%	100.00%	100.00%

The percentage of First Federal's loans made in low-income geographies, 1.27 percent, is excellent and exceeds both the percentage of owner occupied housing units, 0.74 percent, and the peer lending benchmark, 0.42 percent. Loans made in moderate-income geographies are excellent at 45.08 percent and exceeds the peer lending benchmark of 24.50 percent and the percentage of owner occupied housing units 38.57 percent. This geographic lending activity exceeds the standards for satisfactory performance.

Responses to Complaints

The bank has received no complaints concerning their lending performance in the assessment area.

COMMUNITY DEVELOPMENT TEST

Number and Amount of Community Development Loans

The bank did not originate any community development loans within the Pittsburgh, PA MSA throughout the six month review period. However; the bank continued to participate in and offer various lending programs such as affordable housing program, USDA rural development loans, and partnerships with Washington and Fayette Redevelopment Authorities.

Number and Amount of Qualified Investments

Throughout the evaluation period, First Federal made a \$1 million investment in the CRA fund managed by Community Capital Management. \$443,200 went to fund three

loans in Washington County; \$556,800 refunded four housing projects in Washington County and one project in Fayette County which all provide affordable housing to LMI individuals. Additionally the bank made qualified community development grants and donations totaling \$46,500 to benefit five different community groups in the Pittsburgh, PA MSA. These grants and donations assist these organizations in providing affordable housing, educational, and community services to low- and moderate-income individuals and families within the AA.

Extent to Which the Bank Provides Community Development Services

Throughout the evaluation period, bank employees and officers provided financial and technical expertise to two qualified community development organizations that provide services in the Pittsburgh, PA MSA. The bank has maintained long-standing relationships with these community development organizations.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN Greene County, PA ASSESSMENT AREA

Description of Institution’s Operations in Greene County, PA Assessment Area

First Federal operates three full service branches, one of which is the main office, in the Greene County, PA assessment area. Greene County is a largely rural area and it is the cornerstone of Pennsylvania, as it is the southwestern corner of the state.

Description of Greene County, PA Assessment Area

Below is a summary of demographic information for this AA:

Demographic Information for Greene County, PA Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	8	0.00	0.00	100.00	0.00	0.00
Population by Geography	40,672	0.00	0.00	100.00	0.00	0.00
Owner-Occupied Housing by Geography	11,158	0.00	0.00	100.00	0.00	0.00
Business by Geography	3,238	0.00	0.00	100.00	0.00	0.00
Farms by Geography	123	0.00	0.00	100.00	0.00	0.00
Family Distribution by Income Level	10,642	24.00	20.18	20.61	35.21	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	4,702	0.00	0.00	100.00	0.00	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Families Below Poverty Level		37,038 54,900 13.09%	Median Housing Value Unemployment Rate (2012 Bureau of Labor Statistics)	56,842 6.30%		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 US Census and 2011 HUD updated MFI

Top employers in Greene County include the public school districts, banking and financial institutions, county government, Alpha Natural Resources, CONSOL Energy, Southeast Regional Medical Center, and local universities. There are no low- or moderate-income census tracts within the Greene County, Pa AA. Greene County's unemployment rate is much lower than the state and national rates of 8.1% and 7.9% in October 2012.

LENDING TEST

Lending to Borrowers of Different Incomes

The distribution of loans, in the bank's Greene County, PA AA, reflects reasonable penetration and meets the standards for satisfactory performance. The following chart discusses the bank's performance in the Greene County, PA AA.

HMDA-Reportable Lending in Greene County, PA (Non-Metropolitan) AA: July 1, 2010 – December 31, 2011						
Borrower Income Levels	Number	No. Pct.	Dollar (000)	\$ Percent	Percent of Families	2010 Aggregate HMDA
Low = <50%	13	3.43%	\$464	1.26%	24.00%	5.20%
Moderate = 50-79%	56	14.78%	3,989	10.83%	20.18%	14.02%
Middle = 80-119%	89	23.48%	7,300	19.82%	20.61%	25.87%
Upper = > 120%	211	55.67%	24,144	65.55%	35.21%	51.01%
Income N/A	10	2.64%	935	2.54%	0.00%	3.90%
Total	379	100.00%	\$36,832	100.00%	100.00%	100.00%

The distribution of First Federal's HMDA-reportable lending to low-income borrowers in the assessment area was significantly lower than the percentage of low-income families residing in the assessment area; however, the percentage of lending is reasonable when compared to the peer lending benchmark of 5.20 percent. The percentage of lending to moderate-income borrowers is lower than the percentage of moderate-income families in the assessment area; however, the percentage of lending is reasonable when compared to the peer lending benchmark of 14.02 percent. The bank's overall performance is considered reasonable when taking into account the percentage of families below the poverty rate of 13.09 percent. Families with incomes below the poverty level would find it difficult to qualify for a home loan.

Geographic Distribution of Loans

The geographic distribution of loans does not provide for meaningful analysis due to the fact that there are no Low- or Moderate-income census tracts in the Greene County, PA AA.

Responses to Complaints

The bank has received no complaints concerning their lending performance in the assessment area.

COMMUNITY DEVELOPMENT TEST

Number and Amount of Community Development Loans

The bank made a \$600,000 loan commitment in 2012 for a participation loan with another local bank to fund a \$1.2 million commercial line of credit to an industrial development corporation in Greene County. The corporation promotes economic development within Greene County PA.

Number and Amount of Qualified Investments

Throughout the evaluation period, First Federal made grants and donations totaling \$62,500 to benefit five different community groups in the Greene County AA. These grants and donations assist these organizations in providing affordable housing and community services to low- and moderate-income individuals and families within the AA.

Extent to Which the Bank Provides Community Development Services

Throughout the evaluation period, bank employees and officers provided financial and technical expertise to ten qualified community development organizations that provide services in the Greene County AA. Bank personnel have served on Boards, led committees, and held various leadership positions such as treasurer and V.P. The bank has maintained long-standing relationships with these community development organizations.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's (bank) or Federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.