



Comptroller of the Currency
Administrator of National Banks

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Chicago, Illinois 60605

PUBLIC DISCLOSURE

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

June 15, 1996

AmeriFirst Bank, N.A.
Charter Number 22623
36 North Detroit Street
Xenia, Ohio 45385

NOTE: 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.

GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (CRA) performance of AmeriFirst Bank, N.A. prepared by the Office of the Comptroller of the Currency (OCC), the institution's supervisory agency.

The evaluation represents the OCC's current assessment and rating of the institution's CRA performance based on an examination conducted as of June 15, 1996. It does not reflect any CRA-related activities that may have been initiated or discontinued by the institution after the completion of the examination.

The purpose of the Community Reinvestment Act of 1977 (12 U.S.C. 2901), as amended, is to encourage each financial institution to help meet the credit needs of the communities in which it operates. The Act requires that in connection with its examination of a financial institution, each federal financial supervisory agency shall (1) assess the institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution, and (2) take that record of performance into account when deciding whether to approve an application of the institution for a deposit facility.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989, Pub. L. No. 101-73, amended the CRA to require the Agencies to make public certain portions of their CRA performance assessments of financial institutions.

Basis for the Rating

The assessment of the institution's record takes into account its financial capacity and size, legal impediments and local economic conditions and demographics, including the competitive environment in which it operates. Assessing the CRA performance is a process that does not rely on absolute standards. Institutions are not required to adopt specific activities, nor to offer specific types or amounts of credit. Each institution has considerable flexibility in determining how it can best help to meet the credit needs of its entire community. In that light, evaluations are based on a review of 12 assessment factors, which are grouped together under 5 performance categories, as detailed in the following section of this evaluation.

ASSIGNMENT OF RATING

Identification of Ratings

In connection with the assessment of each insured depository institution's CRA performance, a rating is assigned from the following groups:

Outstanding record of meeting community credit needs.

An institution in this group has an outstanding record of, and is a leader in, ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Satisfactory record of meeting community credit needs.

An institution in this group has a satisfactory record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Needs to improve record of meeting community credit needs.

An institution in this group needs to improve its overall record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Substantial noncompliance in meeting community credit needs.

An institution in this group has a substantially deficient record of ascertaining and helping to meet the credit needs of its entire delineated community, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

DISCUSSION OF INSTITUTION'S PERFORMANCE

Institution's Rating:

Based on the findings presented below, this institution is rated: “Satisfactory Record of Meeting Community Credit Needs”.

The basis of this rating was made with primary consideration given to the bank’s lending activities, involvement in community development programs, and level of compliance with anti-discrimination laws.

Bank and Community Profile:

AmeriFirst Bank, N.A. (AmeriFirst) is a \$300 million full service community bank headquartered in Xenia, Ohio. The bank is a subsidiary of Mid Am, Inc., a \$2.2 Billion multibank holding company based in Bowling Green, Ohio. Mid Am, Inc. operates four affiliate banks in Ohio and one in Michigan.

AmeriFirst was formed in April 1993 when Home Federal Savings Bank and Apollo Savings and Loan Company merged. A national bank charter was obtained in September 1993. Since that time the bank has been evolving from a thrift institution to a commercial bank through offering financing for commercial and business purposes and expanding its consumer lending base while still offering residential mortgages. As reported on the December 31, 1995 Report of Condition, the bank's loan portfolio breakdown was as follows:

Loan Portfolio - December 31, 1995

Commercial, Commercial Real Estate, Industrial, and Business Loans	\$87,148,000	39.8%
Consumer Loans	\$12,681,000	5.8%
Residential Mortgages	\$117,344,000	53.6%
Farm Related Loans	\$12,000	0.0%
Other Loans	\$1,781,000	0.8%
Total Loans Outstanding 12/31/95	\$218,966,000	100.0%

AmeriFirst serves a portion of the southwest corner of Ohio consisting of Greene and Warren counties, and portions of Butler, Hamilton, and Montgomery counties. The bank’s delineated community is comprised of 403 populated census tracts, 141 of which are designated as low- or moderate-income. Tract income designations are based on the family median income of

the Metropolitan Statistical Area (MSA) as detailed within the table below, according to HUD. Much of the bank's delineated community is rural and agriculturally related, with a number of small municipalities located throughout. Cincinnati and Dayton are the largest cities in the area.

Census Tract Income Characteristics of Delineated Community

Tract Income Category (Based on percentage of MSA Family Median Income)	Butler County	Greene County	Hamilton County	Mont- gomery County	Warren County	Total
Low Income (<50%)	3	0	35	17	0	55
Moderate Income (50-79%)	10	6	40	27	3	86
Middle Income (80-120%)	11	15	65	48	18	157
Upper Income (>120%)	11	12	50	25	7	105
Total	35	33	190	117	28	403

The local banking environment is highly competitive. AmeriFirst competes with a large number of other financial and non-financial institutions, most of which are substantially larger than AmeriFirst. Primary competitors include Fifth Third Bank, Bank One, National City Bank, Star Bank, The Provident Bank, Citifed Mortgage Corp. of America, and Wright-Patterson Air Force Base Credit Union. AmeriFirst is the only bank headquartered in Greene County.

Economic conditions are stable within the five counties in which AmeriFirst's delineated community is located. While each county has experienced slight increases in unemployment levels over the past two years, they remain low and are below the March 1996 State of Ohio rate of 5.4% and the national rate of 5.8%.

Butler County is experiencing retail expansion and new housing construction. The Population Estimates Branch of the U.S. Census Bureau has estimated that population growth since 1990 has been 8.3%. Major employers include Mercantile Stores Company and A K Steel. Unemployment levels rose from 3.8% in December 1994 to 4.5% in March 1996. AmeriFirst operates one office within Butler County.

Greene County is experiencing strong retail expansion. Population growth is estimated to have been 3.3% since 1990. Wright-Patterson Air Force Base is the largest employer in the county. Unemployment levels rose from 3.5% in December 1994 to 4.5% in March 1996. AmeriFirst is headquartered in Greene County, and operates five branches plus its administration office there. Over 50% of the bank's deposit and loan portfolios stem from Greene County customers.

Hamilton County has not experienced significant changes in its population size since 1990. Proctor & Gamble Corporation, Cintas Corporation, and The University of Cincinnati are several of the largest employers. The March 1996 unemployment rate of 4.0% is among the lowest in the state, although up from 3.4% in December 1994. Unemployment within the city of Cincinnati was 5.7% in March, which is above the state average. AmeriFirst operates four offices in Hamilton County. Approximately 30% of the bank's deposit base stems from this area.

Montgomery County has experienced moderate retail growth and housing construction. No significant changes to population levels have occurred. Wright-Patterson AFB and General Motors are the largest employers in the county. Unemployment levels for the county have climbed from 3.6% in December 1994, to 5.1% in March 1996. The March unemployment rate for the city of Dayton was 8.8%, well above the state and national levels. AmeriFirst operates one office in Montgomery County.

Warren County's estimated population growth rate of 15.2% since 1990 is the second highest within the state. Farmland is being converted to new housing subdivisions. The county is also experiencing significant retail expansion. Two of the largest employers are Financial Credit Services (FCS) and Cintas Corporation. The unemployment rate rose from 3.6% in December 1994 to 4.9% in March 1996. AmeriFirst has two offices in Warren County.

The following table provides a synopsis of economic and demographic information for the counties in which the bank's delineation is located. Population information is according to 1990 Census data, and reflects only the portions of the counties within the bank's delineation. Median family income information was obtained from the U.S. Department of Housing and Urban Development. Unemployment information is according to the Ohio Bureau of Employment Services.

Demographic Information by County

County	Population of Delineated Portion of County	Adjusted HUD MSA Median Family Income	March 1996 Unemployment Rate
Greene	136,731	44,300	4.5%
Butler	291,479	46,700	4.5%
Hamilton	866,228	46,700	4.0%
Montgomery	573,809	44,300	5.1%
Warren	113,927	46,700	4.9%

I. ASCERTAINMENT OF COMMUNITY CREDIT NEEDS

Assessment Factor A - Activities conducted by the institution to ascertain the credit needs of its community, including the extent of the institution's efforts to communicate with members of its community regarding the credit services being provided by the institution.

- AmeriFirst has taken effective steps to identify and address the credit needs of the community.

AmeriFirst ascertains the credit needs of its community through direct contact with various organizations, groups, and individuals from throughout the areas served by the bank. Nine Banking Center Advisory Boards, comprised of local residents who are active in the community, have been established. The Advisory Boards meet monthly and have been an effective means for management to, in part, obtain information regarding the financial needs of the community.

Banking center management and staff regularly contact or meet with a wide variety of members of the community, including developers, realtors, civic and religious leaders, and government officials. A CRA Community Call Program is in place where banking center managers and staff have made many calls on community organizations to ascertain the credit needs of the area. As part of the bank's Community Call Program, banking centers began an intensive community calling "blitz" program in 1995. Bank personnel made calls to government officials, businesses, and community organizations to further ascertain the credit and service needs in their respective communities. Eight banking centers have participated in the blitz program to date.

Bank management and staff also participate in various technical assistance programs and many civic activities. These activities provide management with additional opportunities to maintain an understanding of the current community needs.

Information from community contacts is summarized and communicated to senior management and the bank's Regulatory Risk Officer. The information is considered during discussions of developing new products and services for offering by the bank. The bank's ascertainment process identified the need for consumer mortgages, installment credit, small business financing, and education and information programs regarding credit products. The following are examples of actions AmeriFirst has taken to address those identified needs:

- > In 1995 the bank began offering affordable housing Fannie Mae 97% mortgages.
- > Commercial loans and U.S. Small Business Administration (SBA) loans for small businesses have been offered by AmeriFirst since 1993.
- > A variety of consumer credit products have been introduced over the past three years.

- > The bank has been active in credit education programs for the community, as described under Assessment Factor L.

Assessment Factor C - The extent of participation by the institution's board of directors in formulating the institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act.

- The Board of Directors and senior management provide active oversight and direction to the bank's CRA activities.

The Board and senior management have provided active and effective oversight to the bank's CRA activities through the development of a CRA policy and program, participation in the bank's Compliance / CRA Council, CRA updates during Board meetings, and through participation in the community. The Board approves the CRA statement annually, which is expanded to provide general information regarding the bank's activities and performance.

The Board and senior management have cultivated and reinforced a bank culture where CRA activities are part of the bank's daily business. A formal, written CRA program exists with broad goals and objectives and a methodology for self-assessment. The Board appointed a Regulatory Risk Officer who is responsible for the daily ongoing oversight of the bank's internal policies and compliance with regulatory requirements. His duties include conducting training, regulatory reviews, and risk evaluations for consumer compliance and CRA.

The Board exercises active policy oversight and regularly reviews the bank's activities and performance under CRA. On a quarterly basis, one or more Directors participate in the bank's Compliance / CRA Council meetings. The participating Directors in turn help keep the Board abreast of CRA issues. The council's membership includes three members of senior management, meets monthly. The Board was active in the development of the ascertainment "blitz" program discussed under Assessment Factor A.

Individual Board members are active in the community and promote the bank's CRA initiatives through participation in community organizations. Director activities include membership in various chambers of commerce and other business organizations. Directors have taken leadership roles in organizations such as the Xenia Economic Growth Council, Avondale Community Development Corporation, Children's Services Commission of Hamilton County, the Xenia Area Chamber of Commerce, and Southern Baptist Church, an active church in the Cincinnati community.

II. MARKETING AND TYPES OF CREDIT OFFERED AND EXTENDED

Assessment Factor B - The extent of the institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the institution.

- Marketing efforts inform AmeriFirst's community of the credit programs and services available to a reasonable degree.

AmeriFirst uses direct community contacts coupled with some mass media to inform the community of the products and services the bank offers. Based on the lending results discussed under Assessment Factors I and E, the bank has been successful in reaching all segments of the community, including low- and moderate-income areas.

Newspaper advertising and telemarketing are the primary mass media used, although neither of these has been used extensively. Much of the formal advertising has focused on promoting the bank's image and informing the general public of the bank's presence in the marketplace. The bank has marketed its credit services through some civic and church related bulletins and brochures, including placing some advertisements in minority-targeted publications. Telemarketing has been used to reach the community beyond the bank's established customer base. The most recent telemarketing effort was geared to homeowners for home equity and home improvement products during 1995.

Each banking center is responsible for marketing its products and services to its surrounding community. This is primarily done through direct community contacts. The "blitz" program described under Assessment factor A is also used to inform members of the community of the various products and services AmeriFirst offers. Participation in local events such as small business workshops, home buyer seminars, and meetings with community groups are effectively used to inform the community of loan products available. The bank has also established working relationships with local relators which allows AmeriFirst to keep them informed of the bank's mortgage products.

Statement stuffers, telephone on-hold messages and lobby brochures are used to inform existing customers of bank products and services as well as promote name recognition throughout the market.

Assessment Factor I - The institution's origination of residential mortgage loans, housing rehabilitation loans, home improvement loans and small business loans.

- AmeriFirst has been responsive to the credit needs of its community, especially with regard to residential mortgages and small business financing. A substantial majority of loans have been extended within the bank's delineated community.

AmeriFirst is an active lender offering a variety of consumer, mortgage, and commercial lending products to address the credit needs of its community. Since converting to a commercial bank in 1993, AmeriFirst has emphasized expanding its lending activities to include business and consumer lending while also addressing residential mortgage needs. The bank's CRA Statement accurately describes the types of loans offered.

AmeriFirst's ratio of loans (net of loan loss allowances and other reserves) to deposits was 89% at December 31, 1995. This is significantly higher than the 68% average ratio for other banks of similar size and characteristics from throughout the country. It is noted, however, that AmeriFirst purchased approximately \$33 million of commercial loans from outside of its delineated community in 1995. Adjusting the loan to deposit ratio by factoring out the purchased loans reduces the ratio to 77%, which is still relatively high.

AmeriFirst's loan volumes have increased annually since 1992. The bank originated 1,777 loans in 1994 totaling \$118 million and 3,679 loans in 1995 for \$128 million, as detailed within the adjacent chart. Purchased loans are not included. These figures are based on bank internal reports and reflect both Home Mortgage Disclosure Act (HMDA) reportable and non-HMDA reportable loans. The bank's loan portfolio grew by \$30.1 million or 15% during 1995. Purchased loans provided the growth.

Loan Volume Information

Loan Type	1994 \$(000's)	1995 \$(000's)
Residential Mortgages	93,849	74,440
Home Equity Loans	8,299	13,709
Consumer Loans	3,065	14,841
Commercial Loans	12,963	25,154
Total Loans	118,176	128,144

A significant majority of the loans originated by AmeriFirst have been made within the bank's delineated community. Internal bank reports reflect that 82% of the number of loans originated by AmeriFirst between January 1, 1995 and March 31, 1996 were made within the bank's delineated community. A review of HMDA data reflected that 88% of the number and dollars of HMDA reportable loans made by the bank were from within the delineation in 1994, while 84% of the number of loans and 83% of the dollars were made within the delineation in 1995.

The bank's relatively high loan to deposit ratio, the increasing loan volume trend, and the fact that a substantial majority of loans have been made within the delineation collectively reflect the bank's willingness to lend to the community.

Housing-Related Lending

AmeriFirst is an active residential mortgage lender. 1994 and preliminary 1995 HMDA reflects that the bank has maintained a good level of housing-related loan originations, even as the bank expanded its lending to other product types. While preliminary 1995 HMDA information reflects that the total number of loan originations decreased by 10% from 1994 levels, AmeriFirst remained responsive to market needs. The mortgage lending industry experienced decreases in lending volumes in 1995 as a whole, most notably with regard to refinancing loans. Fannie Mae, the Mortgage Bankers Association, and "Inside Mortgage Finance" publication reported 1995 lending declines ranging from 15% to 22% nationally. The following table provides 1994 and preliminary 1995 HMDA lending information.

HMDA Loan Originations

Loan Type	1994 Loan Activity		1995 Loan Activity	
	#	\$(000's)	#	\$(000's)
Home Purchase	534	42,275	386	31,416
Refinance	368	23,489	412	31,333
Multifamily	3	412	0	0
Home Improvement	4	47	17	261
Total	909	66,223	815	63,010

AmeriFirst began offering Fannie Mae 97% mortgages in 1995. This affordable housing loan product offers flexible underwriting criteria to borrowers whose income does not exceed 100% of median area income. Management stated that several loans have been extended under the program. The bank does not track the volume of loans by individual product type.

AmeriFirst uses flexible underwriting criteria in an attempt to make as many mortgage loans to qualified borrowers as possible. This is demonstrated through the bank's willingness to extend credit under terms and conditions which do not meet secondary market guidelines. As of March 1996 AmeriFirst had \$56 million of nonconforming mortgages outstanding.

Small Business Loan Activity

AmeriFirst has been successful in entering the local small business loan market. Commercial loans were first offered in 1993, and have been primarily made to small businesses within the bank's assessment area. Small business loans are generally defined as commercial loans for \$1 million or less. As of May 1996 AmeriFirst had over 1,350 small business loans outstanding with the average size being less than \$80,000. The bank offers U.S. Small Business Administration (SBA) loan financing. Refer to Assessment Factor J for additional information.

Assessment Factor J - The institution's participation in government insured, guaranteed or subsidized loan programs for housing, small businesses or small farms.

- The bank offers several government sponsored loan products. The amount of loans extended under these programs has been limited.

AmeriFirst has made a positive effort to help meet the credit needs of the community by offering financing through several State and Federal government programs. The bank began offering U.S. Small Business Administration (SBA) guaranteed loans in 1993. As of March 31, 1996 AmeriFirst had SBA loans totaling \$1.1 million outstanding. The bank originated two SBA loans in 1994, two loans in 1995, and one loan during the first three months of 1996. AmeriFirst also participates in several State of Ohio lending programs, but has not extended any loans under these programs.

III. GEOGRAPHIC DISTRIBUTION AND RECORD OF OPENING AND CLOSING OFFICES

Reasonableness of Delineated Community

- The bank's delineated community is reasonable and does not exclude any low- and moderate- income census tracts.

AmeriFirst's delineated community is a contiguous area located in southwestern Ohio. It consists of Greene and Warren Counties, the eastern third of Butler County, the southeastern two thirds of Hamilton County that includes the city of Cincinnati, and the southeastern two thirds of Montgomery County that includes the city of Dayton. This area is served by the bank's fourteen banking center offices. While this is a relatively large geographic area for this size bank, the delineation is considered reasonable and does not arbitrarily exclude low- or moderate- income areas. Boundaries were based on the location of banking centers using the effective lending territory approach. Political boundaries were also used to finalize the assessment area.

AmeriFirst's customer base is essentially centered within its delineated market area. A 1995 bank analysis determined that 84% of its loans and deposits originated from within the bank's delineation. Furthermore, OCC analyses and observations of 1994 and 1995 lending activities confirm that a significant majority of loans have been made within the bank's delineation.

Assessment Factor E - The geographic distribution of the institution's credit extensions, credit applications, and credit denials.

- The bank's geographic distribution of credit extensions, applications, and denials demonstrates reasonable penetration throughout the local community. Lending levels in low- and moderate-income areas and to low- and moderate-income individuals are reasonable.

AmeriFirst has served all segments of its local communities, including low- and moderate income areas. This conclusion is based on the following primary observations:

- Reasonable lending penetration throughout the community is evident. The bank has made loans in a substantial majority of the delineated census tracts since January 1994.
- The proportion of lending activity within low- and moderate-income neighborhoods is reasonable.
- The proportion of HMDA lending to low- and moderate-income individuals is reasonable.

The bank has received applications from and granted credit to individuals and businesses from all segments of the community. AmeriFirst performs periodic geographic distribution analyses of its lending activities. All loans are coded by census tract or block numbering area. Bank reports reflected that AmeriFirst made loans in 81% of its delineated census tracts in 1994.

AmeriFirst has addressed the housing-related credit needs throughout its community. Preliminary 1995 HMDA data reflects that the bank made housing-related loans in 53% of the populated census tracts within the bank's community last year. Bank analyses demonstrate that AmeriFirst made HMDA reported loans in 77% of the census tracts during the 27 month period from January 1994 through March 1996.

Lending to Low- and Moderate - Income Areas

Lending in low- and moderate-income areas is considered reasonable, based on OCC analyses and reviews of bank internal reports. OCC analyses of HMDA information included 1994 market aggregate data (the most recent available), as well as 1994 and preliminary 1995 data for AmeriFirst. Analyses were performed for the delineated community as a whole as well as for the individual county sections of the delineation. We determined that lending activity in low- and moderate-income areas has been reasonable throughout the bank's community.

Internal bank reports reflect that 27% of all loans (HMDA and non-HMDA reportable loans) made by AmeriFirst within its delineated community in 1994 were to customers located in low- and moderate-income areas. This is considered reasonable given that 29% of the

population within the delineation resides in those neighborhoods. Similar 1995 loan information was not available.

Housing related lending in low- and moderate-income areas was found to be reasonable in relation to the demographic characteristics of the community, as reflected in the table below. The percentage of HMDA lending done in low- and moderate-income sectors of the Hamilton County and Montgomery County portions of the delineation in particular was proportionally higher than the portion of the owner occupied housing units represented by those low- and moderate-income areas. While lending in the moderate-income areas of Warren County (Warren County has no designated low-income tracts) was limited in 1995, this area represents a small portion of the bank’s community.

1995 HMDA Lending In Low- and Moderate Income Areas

Delineation Area	% of Number of Loans in L/M Areas	Demographics of Low- and Moderate- Income Tracts as a Percentage of Area Demographics			
		% of Number of Area Tracts	Population %	Families %	Own/Occup. H. Units %
Butler	26	38	29	22	28
Greene	15	18	20	19	15
Hamilton	29	39	34	28	18
Montgomery	30	37	36	33	25
Warren	1	10	9	6	5
Total	20	35	30	27	19

L/M Areas - refers to Low- and Moderate-Income census tracts
 Own/Occup. H. Units - refers to Owner Occupied Housing Units

Through a review of 1994 and preliminary 1995 HMDA data, it was determined that lending activity in low- and moderate-income areas for housing purposes was reasonable in relation to the overall lending activity within the market. The percentage of applications AmeriFirst received from low- and moderate-income neighborhoods remained generally consistent during the past two years at 21% and 20% for 1994 and 1995 respectively. This was consistent with the 1994 market aggregate which reflected 21% of applications stemming from the low- and moderate-income areas. The percentage of loans extended by AmeriFirst within low- and moderate-income areas remained constant at 20% in 1994 and 1995, and was somewhat higher than the 16% reflected by the aggregate market in 1994.

An OCC analysis of 1994 bank and market aggregate HMDA data reflected that AmeriFirst’s penetration into low- and moderate-income neighborhoods was somewhat higher than its penetration into the entire community. The following table compares AmeriFirst’s market

share of applications and loans within low- and moderate-income segments of the bank's community to the bank's share of the overall market. Percentage figures are based on the number of loans and applications. As the bank makes very few HMDA-reported home improvement loans, the analysis was limited to home purchase and refinance activity. We concluded that the bank's overall penetration into the low- and moderate-income areas of its community is good. To provide some additional perspective to the percentages provided within the table, the difference between the bank's Home Purchase and Refinance loan market share of 1.99% and its 2.48% low- and moderate-income market share represents 31 loans. AmeriFirst made 31 more loans in low- and moderate-income areas than it would have needed to maintain the 1.99% overall market share.

AmeriFirst 1994 Market Share Analysis

Loan Type	AmeriFirst Overall Market Share		AmeriFirst Market Share of Low/Mod Income Areas	
	Applications	Loans	Applications	Loans
Home Purchase Loans	1.46%	1.92%	1.72%	2.28%
Home Refinanced Loans	1.38%	2.10%	1.58%	2.75%
Home Purchase & Refinance	1.43%	1.99%	1.65%	2.48%

Lending to Low- and Moderate-Income Individuals

Analyses of 1994 and preliminary 1995 HMDA data reflected that the bank serves the low- and moderate-income individuals within its market areas to a reasonable degree. In 1994, 25% of the number of AmeriFirst's HMDA-related loan applications from within its delineated community stemmed from low- or moderate-income applicants. Similarly, 24% of the number of HMDA loans were made to that segment of the population in 1994. While this is somewhat lower than the rate experienced within the aggregate market in 1994, AmeriFirst's record still reflects a reasonable level of activity. AmeriFirst maintained its overall rate of lending to low- and moderate-income individuals during 1995. Market aggregate information is not available for 1995 at this time. The following table reflects the percentages of HMDA loans made by the bank to low- and moderate-income individuals within its delineation in 1994 and 1995 for each county, and 1994 market aggregate percentages as well. Low- and moderate-income individuals have income less than 80% of the annual adjusted median family income for the area.

Lending to Low- and Moderate-Income Individuals
 AmeriFirst vs. Aggregate (1994 and preliminary 1995 HMDA Data)

County	% of Families which are Low/Mod Income	% of Loans which are Low/Mod	
		Aggregate 1994	AmeriFirst 1994 1995
Butler	34.2	27.3	23.2 15.8
Greene	31.8	21.2	24.9 24.5
Hamilton	39.0	23.6	24.5 21.9
Montgomery	40.8	35.0	18.4 30.2
Warren	30.9	30.2	27.2 14.1
Total	37.8	29.7	23.7 23.1

Assessment Factor G - The institution's record of opening and closing offices and providing services at offices.

- AmeriFirst’s banking offices are reasonably accessible to the local community. The closing of a branch did not significantly impact services available to the area.

AmeriFirst operates thirteen full service banking center offices and five ATM’s within its delineated community. Commercial loan services are also provided through the Administrative Office in downtown Xenia. Banking centers are located in the cities of Xenia, Cedarville and Beavercreek in Greene County; the cities Cincinnati and Montgomery in Hamilton County; the city of Dayton in Montgomery County; the city of Lebanon in Warren County; and the city of Monroe in Butler County.

Banking centers are reasonably accessible to the most populated segments of the community, including low- and moderate- income areas. All bank products and services are available through the banking centers, including trust and investment services. Business hours vary and includes Saturday banking hours at all locations except for the Administrative Office. Extended evening hours are available on an as-needed basis for appointments. Twenty-four hour telephone banking services are available for balance inquiries, verification of cleared checks, and money transfers loan payments. In 1996 the bank introduced its “Mortgage Connection” service, a twenty-four hour phone service where customers can pre-qualify for mortgage loans and obtain potential monthly payment information.

The Board of Directors adopted a Branch Closing Policy which requires the bank to perform analyses to determine the impact of any planned reduction, consolidation, or closing of banking centers. The bank closed the downtown Dayton Banking Center on July 29, 1994 due to declining business. Located in a low-income neighborhood, this branch was the bank’s

third attempt to establish a viable facility in the area. The Branch Closing Policy was followed. Due to the small size of the office and the presence of other financial institutions, the closing of office did not significantly impact the community.

The bank opened the Fairfield Commons banking center in October of 1993. It is located near the Fairfield Commons mall in Greene County within a rapidly growing retail area. No other new offices have been opened since that time.

V. DISCRIMINATION AND OTHER ILLEGAL CREDIT PRACTICES

Assessment Factor D - Any practices intended to discourage applications for types of credit set forth in the institution's CRA Statement(s).

- AmeriFirst solicits credit applications from all segments of its local community. No practices to discourage credit applications have been identified.

The bank has implemented an effective fair lending program. Policies, procedures and an employee training program are in place to help ensure that equal treatment is provided to all individuals applying for credit. A second review program exists for residential mortgage applications from minority and female applicants. Applications which are recommended for denial upon initial review are also reviewed by the bank's lead mortgage lender to determine if there are ways in which the loan can be approved or an alternative product offered. Additional quality control processes are also in place to monitor lending decisions for consistency.

The bank actively solicits credit applications from the entire community, including from low- and moderate-income areas and individuals. This is in part supported by geographic distribution of application and loan analyses discussed under Assessment Factor E. No policy or underwriting standards were identified which would tend to discourage credit applicants.

Assessment Factor F - Evidence of prohibited discriminatory or other illegal credit practices.

- AmeriFirst is in compliance with the substantive provisions of anti-discrimination laws. No illegal credit practices were identified.

The OCC examination included testing for compliance with the Equal Credit Opportunity Act, the Fair Housing Act, and the Home Mortgage Disclosure Act to determine if all applicants have had an equal opportunity to obtain credit. This was accomplished through conducting an analysis of home refinance loan applications received during 1995. Application files of female applicants who were denied credit were compared to files from males and couples who were granted credit. We found that both groups were treated similarly. Our file analysis

focused on gender because we determined that there was an insufficient number of denied minority applicants to perform a meaningful analysis based on race.

V. COMMUNITY DEVELOPMENT

Assessment Factor H - The institution's participation, including investments, in local community development and redevelopment projects or programs.

- AmeriFirst actively participates in community development programs within its local community.

AmeriFirst is an active participant in local community development initiatives. At times the bank has been in a leadership capacity, and has a good record of providing support to local projects in relation to its size and capacity. The primary initiatives the bank has been involved with during 1994 and 1995 are as follows:

- > AmeriFirst actively supports the Supporting Council of Preventive Effort (S.C.O.P.E.) in Greene County. S.C.O.P.E. is a multi-county agency providing community action programs. The bank has been an intricate participant in S.C.O.P.E.'s Housing Rehabilitation Program. In 1994 AmeriFirst was the lead bank in financing a house rehabilitation project. Upon completion, the home was sold to a low- or moderate income buyer. In 1996 AmeriFirst and other local financial institutions committed to participate in the financing of the construction of a single family home in Xenia for low- or moderate- income individuals. AmeriFirst made a financial contribution to the project, and will share in the project's financing with a \$10,000 loan. A bank officer serves as Chairman of S.C.O.P.E.'s Bankers Advisory Committee, and is a member of its Greene County Advisory Board.
- > The bank has been in a leadership role while supporting Genesis Redevelopment, Inc., the housing and economic development arm of the West End Community Council in the city of Cincinnati. In December 1995, AmeriFirst provided the financing for the first phase of the Phoenix Project, a multi-phase acquisition and rehabilitation effort. The bank provided \$33,600 to finance the acquisition and rehabilitation of six rental properties.
- > In March 1996, the bank committed to provide a \$42,000 loan to the Westwood Community Urban Redevelopment Corporation for the purchase and rehabilitation of a single family home in the Westwood community of Cincinnati. AmeriFirst was willing to provide financing based on the estimated value of the property after rehabilitation. The project is now waiting for the approval of gap financing from the city of Cincinnati.

- > In 1996 the bank provided funding to refinance a local developer's existing rehabilitation loans for rental units located in the Westwood community of Cincinnati. Loan proceeds included approximately \$13,000 to fund additional rehabilitation work and make repairs. This area has a concentrated low income population and has been designated in the city's "Adopt-a-Block" program for revitalizing the area.
- > In 1995 the bank provided financing for two loans for nearly \$343,000 to a local developer who purchases and rehabilitates single and multi family homes in low- and moderate- income areas of Dayton. Loan proceeds are for the rehabilitation of two four- unit apartment buildings.

Assessment Factor K - The institution's ability to meet various community credit needs based on its financial condition and size, legal impediments, local economic conditions and other factors.

- AmeriFirst has the ability to address the various credit needs of the community. No legal impediments exist. The bank's lending activities and other initiatives have demonstrated a good ongoing commitment to support the community.

AmeriFirst has sufficient resources to help address the credit needs of its community. While no legal impediments exist, the bank's size provides some limitations as to the extent of products and services it offers. For example, the bank does not currently have the staff or expertise to offer Federal Housing Authority and Veterans Administration loans.

The bank's community ranges from rural to urban in nature. Overall, the economic conditions of the area are stable. Refer to the "Bank and Community Profile" section beginning on page 3 for information relative to the bank's local community.

Assessment Factor L - Any other factors that, in the regulatory authority's judgment, reasonably bear upon the extent to which an institution is helping to meet the credit needs of its entire community.

- AmeriFirst is an active participant in the community and has engaged in various other activities which directly or indirectly assist in meeting local credit needs.

AmeriFirst demonstrates its continuing commitment to its community through various other activities. Many of the bank's officers and employees are members of community organizations and participate in a wide range of programs where technical expertise and support is provided. For example, a bank officer is President of the Lebanon Housing Service Corporation. This organization operates under a grant from the State of Ohio to provide funding to homeowners in need of property repairs. During 1994, a bank officer was

a Board member of Greene County Fair Housing, an organization formed to implement a county-wide Fair Housing program to monitor the conduct of the recipients of special government funding. The following are several additional examples of how AmeriFirst helps to address the credit needs of the community:

- > The bank participates in federal student loan programs.
- > The bank periodically makes monetary contributions to community groups and organizations which conduct community development activities.
- > The bank has provided or participated in numerous credit educational activities for members of the community. Several examples include:
 - Participation in a small business clinic with the Cincinnati Minority & Women's Business Incubator, Inc.
 - Participation in the Home Buyers Seminar with the Greene County Career Center.
 - Conducting the Money Management for Newlyweds program through the Ohio State University Extension, Greene County.
 - Speaking to junior and senior high school and college students on credit topics.
 - Providing one-on-one loan and credit counseling to existing and potential customers.

ADDITIONAL INFORMATION

This was the first CRA examination of AmeriFirst since it obtained a national bank charter in September 1993. While the examination focused on AmeriFirst's performance during the past two and one-half years, consideration was given to performance since the last CRA examinations of AmeriFirst's predecessor institutions: October 15, 1991 for the former Home Federal Savings Bank, and June 1, 1992 for the former Apollo Savings and Loan Company.

The community served by AmeriFirst is located in the Metropolitan Statistical Areas (MSA's) listed below. A Central depository is located within each MSA. Home Mortgage Disclosure Act (HMDA) statements for each institution subject to HMDA within an MSA can be obtained at the applicable depository.

1640 Cincinnati
Department of City Planning,
Division of Planning and Management Support Systems
Room 141, City Hall
801 Plum Street
Cincinnati, Ohio 45202
(513) 352-3441

2000 Dayton-Springfield
Executive Director
Human Relations Council
40 South Main Street, Suite 721
Dayton, Ohio 45402-2092
(513) 228-5854

3200 Hamilton-Middletown
Middletown Public Library
125 S. Broad Street
Middletown, Ohio 45044
(513) 424-0659