



PUBLIC DISCLOSURE

May 17, 2017

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Southfirst Bank
Charter Number 705329

126 N. Norton Avenue
Sylacauga, AL 35150-2400

Office of the Comptroller of the Currency
Birmingham Field Office
3595 Grandview Parkway, Suite 655
Birmingham, AL 35243

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, and should not 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 COMMUNITY REINVESTMENT ACT (CRA) RATING:
This institution is rated Satisfactory.**

Southfirst Bank (Bank or Southfirst) has a **satisfactory** record of meeting community credit needs. In reaching our conclusion, primary weight was given to performance in the full-scope assessment area (Talladega County). The satisfactory assessment is based on the following:

- The Bank's loan-to-deposit ratio level and trend is more than reasonable given its size, financial condition, economic environment, and assessment area (AA) credit needs.
- The Bank originated a majority of loans inside its two AAs.
- The Bank had reasonable penetration for lending to borrowers of different income levels within its AAs.
- The Bank had a reasonable dispersion of residential real estate and consumer loans throughout its AAs.
- The Bank did not receive any consumer complaints regarding its CRA performance during this evaluation period.

SCOPE OF EXAMINATION

We assessed Southfirst's CRA performance using the Small Bank examination procedures. These procedures consist of a Lending Test to evaluate the Bank's record of meetings its AA's credit needs. The Bank's previous CRA rating, dated March 12, 2012, was "Satisfactory." This performance evaluation starts from the Bank's previous CRA examination date, covering the period from March 13, 2012 through May 17, 2017.

Our evaluation relied on 2014, 2015, and 2016 Home Mortgage Disclosure Act (HMDA) data to form conclusions relating to residential lending. In addition, we reviewed Bank data maintained on residential mortgage loans sold to investors that are not HMDA-reportable. We determined HMDA data to be reliable during our April 2017 HMDA data integrity review. To evaluate the Bank's consumer lending performance, we sampled 67 consumer loans originated between January 1, 2014 and December 31, 2016. The consumer loan sample included 47 loans originated in the non-metropolitan statistical area (MSA) Talladega County AA. This sample is indicative of lending practices spanning the evaluation period.

DESCRIPTION OF INSTITUTION

Southfirst is an intrastate federal savings bank (FSB) headquartered in Sylacauga, Alabama in Talladega County. At March 31, 2017, the \$90 million Bank was the fifth largest bank in Sylacauga. It is wholly owned by Southfirst Bancshares, Inc., a one-bank holding company also headquartered in Sylacauga. The Bank has no operating affiliates or subsidiaries that would impact this examination. Southfirst operates four locations in Alabama. In addition to the main office in Sylacauga, there is one branch in Talladega, and one branch in Clanton (Chilton County), all of which have automatic teller machines (ATMs) that do not take deposits. In addition, the Bank operates a loan production office (LPO) in Hoover, Alabama. The main office is located in a moderate-income census tract and the two branches are located in middle-income census tracts. The Talladega branch is located in a distressed middle-income

nonmetropolitan census tract. No offices have been opened or closed since the last CRA examination. No legal or financial factors impede the Bank’s ability to meet the credit needs of its community.

Southfirst offers a variety of deposit and loan products to individuals and businesses, as described in the CRA Public File. The Bank’s primary focus is residential mortgage lending. While Southfirst maintains some residential mortgage loans in its own portfolio, it typically originates residential mortgages to sell to investor mortgage lenders. Although the Bank’s LPO accepts loan applications, it predominately acts as a broker, and investors make the credit decision. For this reason, Southfirst does not report mortgage loans originated for investors as HMDA loans, in accordance with regulatory guidelines. During 2014, 2015, and 2016, the Bank acted as broker on a total of 383 loans totaling \$73.5 million.

During 2014, 2015, and 2016, the Bank originated 84 commercial loans totaling \$3.7 million and 349 consumer loans totaling \$4.1 million. For the purposes of this review, we selected consumer loans as the secondary lending product behind residential mortgage loans.

The table below provides details of the Bank’s loan composition as of March 31, 2017.

Loan Portfolio Composition		
Loan Type	Dollar Amount (000's)	Percent of Total Loans
Commercial Real Estate	\$15,043	25%
Commercial and Industrial	\$1,635	3%
Total Commercial Loans	\$16,678	28%
Residential Real Estate	\$42,351	71%
Consumer	\$724	1%
Municipal Loans	\$0	0%
Other	\$12	0%
Agricultural	\$80	0%
Total Loans	\$59,845	100%

Source: March 31, 2017 Call Report

During the evaluation period the institution faced significant competition in meeting its community’s credit needs. In addition, since the preceding CRA examination, total assets have declined 24 percent from \$125 million to \$90 million. These factors were considered as part of our evaluation.

DESCRIPTION OF ASSESSMENT AREA(S)

Southfirst has two AAs in Alabama, which are described below. Both AAs meet regulatory requirements and do not arbitrarily exclude any low- or moderate-income areas. The AAs include only whole census tracts.

Talladega County AA (Full Scope Review)

This AA comprises all 22 census tracts of non-MSA Talladega County, Alabama. Of the 22 census tracts, one is low-income (4 percent), four (18 percent) are moderate-income, 12 (55 percent) are middle-income, and five (23 percent) are upper-income. All middle-income census tracts are distressed nonmetropolitan tracts. The Talladega AA contains two of the institution’s

three deposit-taking offices and 70 percent of the Bank's deposits. The AA is rural and the 2010 Census reported a population to 82,291 and a poverty rate of 19.3 percent. The AA's 2016 Weighted Average of Median Family Income was \$45,693.

The Talladega County AA economy is stable. At March 31, 2017, the unemployment rate of 5.1 percent compared favorably to 5.4 percent for the state of Alabama, but exceeded the 4.6 percent rate for the nation, according to the Alabama Department of Labor. Manufacturing jobs represent a large portion of available employment opportunities, with 13,455 manufacturing jobs in Talladega County, per the Sylacauga Chamber of Commerce.

The city of Sylacauga, where the bank is headquartered, has a population slightly below 13,000, having remained relatively constant between the 2000 and 2010 Census. It continues to suffer from the economic decline brought on by the 2006 textile mill closings around which the city grew. Some manufacturing jobs remain, including those related to the city's historic marble industry, Omya Alabama, which employees 600. Nemak Alabama is the largest employer, employing 800 in the manufacture of aluminum components. The third largest employer is IMERY's, employing 240 in the manufacture of calcium carbonate products, and the fourth is Blue Bell Ice Cream, which employs 200.

Banking competition within the Talladega County AA is high. There are nine financial institutions operating 16 offices in the AA, including community, regional, and national institutions. Southfirst had a deposit market share of 6.97 percent at June 30, 2016 and was ranked fifth of all institutions. The primary needs of the community, identified by community contacts, include the need for more banking education. Otherwise, the community contacts indicated that local banks are engaged and embedded in the community.

The Talladega County AA received a full scope review, as the Bank primarily originated loans within this AA during the evaluation period.

Demographic Information for Talladega County AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	22	4.6%	18.2%	54.6%	22.6%	-0-
Population by Geography	82,291	3,745	44,890	14,961	18,705	-0-
Owner-Occupied Housing by Geography	31,151	1258	3513	18,747	7633	-0-
Businesses by Geography	3393	2.0	16.83	62.51	18.66	-0-
Farms by Geography	110	0.00	14.55	58.18	27.27	-0-
Family Distribution by Income Level	100.0	21.83	16.31	19.64	42.22	-0-
Distribution of Low- and Moderate-Income Families throughout AA Geographies	22.73%	14.64	23.29	20.14	10.89	-0-
Median Family Income						
HUD Adjusted Median Family Income for 2016	= \$45,693 = \$43,820	Median Housing Value Unemployment Rate				= \$88,798 = 5.1%
Households Below the Poverty Level	= 19.3					

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2016 U.S. Census, and 2016 HUD updated MFI.

Birmingham-Hoover MSA AA (Limited Scope Review)

The Bank has one branch and one LPO in the Birmingham-Hoover MSA AA. This AA has a population of approximately 1,128,047 and provides many employment opportunities for Talladega County residents. The MSA AA includes the eight Alabama counties of Bibb, Blount, Chilton, Cullman, Jefferson, Shelby, St. Clair, and Walker. The AA is comprised of 264 census tracts designated as follows: 25 (9 percent) low-income, 68 (26 percent) moderate-income, 99 (38 percent) middle-income, 71 (27 percent) upper-income, and one census tract is noted as “other.”

Low- and moderate-income geographies can be found in the city of Birmingham and in some of the more rural portions of the AA. The MSA AA’s 2016 Weighted Average of Median Family Income was \$65,454. The MSA suffers from similar economic issues as Talladega County. Unemployment in March 2017 ranged from a high of 8 percent in Walker County to a low of 4.9 percent in Shelby County. Banking competition within the MSA is high. There are fifty financial institutions operating 336 offices in the AA, including community, regional, and national institutions. Southfirst had a deposit share of 0.06 percent in the MSA AA as of June 30, 2016, ranking 40th among other financial institutions. An AA community contact identified small business lending as a primary AA lending need.

This AA received a limited scope review, as the Bank’s lending activity was not as significant in the Birmingham-Hoover MSA AA as it was in the Talladega County AA. In addition, the significant level of competition in the MSA AA impeded the Bank’s lending activities.

Demographic Information for Birmingham-Hoover MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	264	9.47%	25.76%	37.50%	26.89%	0.38%
Population by Geography	1,128,047	6.88%	21.85%	40.39%	30.88%	-0-
Owner-Occupied Housing by Geography	311,639	4.21%	19.65%	42.29%	33.85%	-0-
Businesses by Geography	64,985	7.72%	19.20%	35.53%	37.55%	0.01%
Farms by Geography	1566	2.75%	19.28%	42.15%	35.76%	0.06%
Family Distribution by Income Level	100.0	6.10%	21.57%	40.77%	31.56%	-0-
Distribution of Low- and Moderate-Income Families throughout AA Geographies	128,669	74.43%	57.11%	39.30%	22.49%	-0-
Median Family Income		Median Housing Value Unemployment Rate				
HUD Adjusted Median Family Income for 2016	= \$65,454 = \$59,532					
Households Below the Poverty Level	= 13.54%					
						= \$156,292 = 4.9 to 8%

(*) The NA category consists of geographies that have not been assigned an income classification. Source: 2016 U.S. Census, and 2016 HUD updated MFI.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan-to-Deposit Ratio (LTD)

Southfirst’s LTD ratio meets the standard for outstanding performance. The LTD ratio is more than reasonable given the Banks’s size and performance context factors. The Banks’s LTD ratio averaged 79.07 percent over the 20 quarters since the previous CRA examination, with a quarterly low of 73.47 percent and quarterly high of 86.46 percent. Three other banks had a combined average LTD ratio of 70.59 percent over the CRA review period.

The following table reflects Southfirst’s, and similarly situated institutions’ LTD ratios over the evaluation period.

Loan-To-Deposit Ratios		
Institution	Total Assets (in 000s) as of 3/31/17	Average Loan-to- Deposit Ratio
<i>Southfirst Bank</i>	\$88,882	79.07%
Central State Bank	\$244,930	73.75%
Bank of Evergreen	\$63,783	71.41%
Merchants Bank of Alabama	\$270,174	66.60%

Lending in Assessment Area

During the evaluation period, the Bank originated a majority of its residential and consumer loans inside the two AAs, meeting the standard for satisfactory performance. Southfirst originated approximately 85 percent of the number, and 85 percent of the dollar volume, to borrowers inside the AA.

Table 1 details lending within both AAs by number and dollar amount during the evaluation period.

Table 1 - Lending in Assessment Area(s)										
Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Purchase	18	81.82	4	18.18	22	4,678	81.67	1,050	18.33	5,728
Home Improvement	16	80.00	4	20.00	20	1,434	82.94	295	17.06	1,729
Refinance	23	85.19	4	14.81	27	2,950	93.71	198	6.29	3,148
<i>Total Residential</i>	<i>57</i>	<i>82.61</i>	<i>12</i>	<i>17.39</i>	<i>69</i>	<i>9,062</i>	<i>85.45</i>	<i>1,543</i>	<i>14.55</i>	<i>10,605</i>
Consumer Loans	40	88.89	5	11.11	45	379	85.24	66	14.76	444
Totals	97	85.08	17	14.91	114	9,411	85.40	1,609	14.60	11,020

Source: Data reported under HMDA for years 2014 through 2016; consumer loan sample.

Lending to Borrowers of Different Incomes

Lending to borrowers of different incomes reflects reasonable penetration in both AAs, which meets the standard for satisfactory performance.

Performance in the Talladega County AA

Lending to borrowers of different incomes within the Talladega County AA reflects reasonable penetration of residential and consumer loans to low- and moderate-income borrowers.

Home Loans

The Bank's distribution of home loans is reasonable, meeting the standard for satisfactory performance. The distribution of home improvement and home refinance loans to low- and moderate-income borrowers is excellent, while the distribution of home purchase loans is reasonable. In aggregate, the industry's HMDA data reflects home improvement loans made to the AA's low- and moderate-income borrowers of 10.87 percent and 18.48 percent, respectively. The Bank's home improvement lending exceeded the aggregate industry lending distributions, with 11.11 percent lending to low-income borrowers and 22.22 percent to moderate-income borrowers. Similarly, industry aggregate home refinance loans to low- and moderate-income borrowers was 4.92 percent and 11.48 percent, respectively. The Bank's home refinance lending to low-income borrowers of 5.26 percent exceeded the aggregate industry lending distributions. Lending to moderate-income borrowers was near to the comparative ratio at 10.53 percent.

The Bank's distribution of home purchase loans to low- and moderate-income borrowers appears poor. However, as discussed elsewhere in this evaluation, the Bank's strategy is to facilitate home loans through its investor network. As such, those home purchase loans are not HMDA reportable, as the Bank does not make the credit decision. For the three years ending December

31, 2016, the Bank brokered a total of 383 home loans totaling \$73.5 million. We noted that of those brokered home purchase loan originations, 1.04 percent were to low-income borrowers and 2.87 percent were to moderate-income borrowers. These figures are lower than aggregate HMDA activity of 4.33 percent to low-income borrowers and 19.71 percent to moderate-income borrowers. Because the low level of home purchase loans is explainable, distribution is reasonable.

Table 2 details the distribution of home loans among borrowers of different income levels in the AA.

Table 2 - Borrower Distribution of Residential Real Estate Loans in Talladega AA								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans
Home Purchase	4.33	0.00	19.71	0.00	28.53	20.00	47.44	80.00
Home Improvement	10.87	11.11	18.48	22.22	23.91	11.11	46.74	55.56
Home Refinance	4.92	5.26	11.48	10.53	25.06	10.53	58.55	73.68

Source: Data reported under HMDA.

Consumer Loans

The distribution of consumer loans to borrowers of different incomes reflects reasonable penetration in the Talladega AA. Low- and moderate-income households represent 23.58 percent and 14.38 percent of the AA, respectively. The Bank’s penetration of lending to low-income borrowers is lower than the demographic comparator, representing 14.29 percent of the number of loans sampled. The Bank’s penetration of lending to moderate-income borrowers meets the demographic comparator, representing 14.29 percent of the number of loans sampled.

Table 2B details the distribution of consumer loans among borrowers of different income levels in the AA.

Table 2B - Borrower Distribution of Consumer Loans in Talladega AA								
Borrower Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans
Consumer Loans	23.58	14.29	14.38	14.29	16.98	28.57	45.06	42.86

Source: Loan sample or data collected by the bank; 2016 U.S. Census data.

Performance in the Birmingham-Hoover MSA AA

Lending to borrowers of different incomes within the Birmingham-Hoover MSA AA reflects a reasonable penetration of loans to low- and moderate-income borrowers. We primarily considered home loans in this analysis, as insufficient information was available to determine consumer lending borrower distribution in the MSA AA.

Home Loans

The Bank’s borrower distribution of home loans is reasonable, meeting the standard for satisfactory performance. The distribution of home purchase loans to low-income borrowers is excellent, as the Bank’s lending of 9.09 percent significantly exceeds the industry comparator of 6.61 percent. The distribution of home improvement loans to low-income borrowers reflects poor penetration. The Bank’s home improvement lending to low-income borrowers of 5 percent was significantly lower than the industry comparator of 12.16 percent. The distribution of home refinance loans to low-income borrowers is reasonable, as the Bank’s lending of 4 percent falls within a reasonable range of the industry comparator of 5.80 percent. The distribution of home purchase loans to moderate-income borrowers of 9.09 percent reflects poor penetration when compared to the industry comparator of 18.92 percent. The distribution of home improvement and home refinance loans to moderate-income borrowers is excellent at 40 percent and 12 percent, respectively. The Bank’s performance significantly exceeds industry comparators for home improvement and home refinance loans to moderate-income borrowers of 18.76 percent and 11.51 percent, respectively.

Table 2 details the distribution of home loans among borrowers of different income levels in the AA.

Table 2 - Borrower Distribution of Residential Real Estate Loans in MSA AA								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans
Home Purchase	6.61	9.09	18.92	9.09	20.79	13.64	34.38	68.18
Home Improvement	12.16	5.00	18.76	40.00	24.50	25.00	37.75	30.00
Home Refinance	5.80	4.00	11.51	12.00	17.71	12.00	37.72	72.00

Source: Data reported under HMDA.

Consumer Loans

Our review identified 36 consumer loans originated in the MSA AA during the evaluation period from January 1, 2014 through December 31, 2016. Of those 36 loans, 23, or 64 percent, were certificate of deposit secured loans for which the Bank does not obtain borrower income information due to the secure nature of the loan. Due to the lack of borrower income information for consumer loans granted in the MSA AA, an analysis of borrower distribution in this AA is not meaningful and was not performed.

Geographic Distribution of Loans

The geographic distribution of loans in both AAs reflects reasonable dispersion throughout census tracts of different income levels, meeting the standard for satisfactory performance.

Performance in the Talladega County AA

Overall, the geographic distribution of loans in the Talladega County AA meets the standards for satisfactory performance, displaying reasonable dispersion among varying income geographies.

Home Loans

Overall, the geographic distribution of home loans in the Talladega AA meets the standard for satisfactory performance. The geographic distribution of home loans to low-income geographies

is reasonable. While the Bank had no loans in low-income geographies, industry comparators also show a limited volume of home purchase (0.32 percent), home improvement (3.26 percent), and home refinance (1.64 percent) lending. The geographic distribution of home purchase and home improvement loans to moderate-income geographies does not meet the standard for satisfactory performance. The Bank had no home purchase or home improvement loans to moderate-income geographies, as compared to industry data showing 5.45 percent home purchase loans and 10.87 percent home improvement loans. The geographic distribution of home refinance loans to moderate-income geographies is reasonable. The Bank’s performance of 5.26 percent falls within a reasonable range to the industry comparator of 5.39 percent.

All 12 nonmetropolitan middle-income census tracts within the Talladega AA are distressed per the 2016 Federal Financial Institutions Examination Council (FFIEC) listing. The Bank’s lending in these distressed census tracts, which comprise a significant portion of the AA, is meaningful to the overall geographic distribution results. The geographic distribution of home purchase loans in distressed nonmetropolitan middle-income geographies is 80 percent, significantly exceeding the industry comparator of 64.74 percent and reflecting excellent performance. The geographic distribution of home improvement and home refinance loans in distressed nonmetropolitan middle-income geographies is 55.56 percent and 52.63 percent, respectively. This is reasonable performance considering the industry comparators of home improvement and home refinance loans of 60.87 percent and 57.38 percent, respectively.

Table 3 details the geographic distribution of home loans in the AA.

Table 3 - Geographic Distribution of Residential Real Estate Loans in Talladega AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans
Home Purchase	0.32	0.00	5.45	0.00	64.74	80.00	29.49	20.00
Home Improvement	3.26	0.00	10.87	0.00	60.87	55.56	25.00	44.44
Home Refinance	1.64	0.00	5.39	5.26	57.38	52.63	35.60	42.11

Source: Data reported under HMDA; HMDA 2016 aggregate

Consumer Loans

The Bank’s geographic distribution of consumer loans within the Talladega AA is reasonable. Of all AA households, 4.04 percent are located in low-income census tracts and 11.28 percent are located in moderate-income census tracts. The Bank did not originate any consumer loans within the low-income census tract, and originated 9.52 percent of loans in the moderate-income census tracts. This is reasonable dispersion when considering that 19 percent of households in the AA live below poverty level and are unlikely to qualify for a consumer loan.

Table 3B details the geographic distribution of consumer loans in the AA.

Table 3B - Geographic Distribution of Consumer Loans in Talladega AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans	% of AA Households	% of Number of Loans
Consumer Loans	4.04	0.00	11.28	9.52	60.18	66.67	24.50	23.81

Source: Loan sample or data collected by bank; 2016 U.S. Census data.

Performance in the Birmingham-Hoover MSA AA

Overall, the geographic distribution of loans in the Birmingham-Hoover MSA AA meets the standard for satisfactory performance, displaying reasonable dispersion of home loans among varying income geographies.

Home Loans

Overall, the geographic distribution of home loans in the MSA AA meets the standard for satisfactory performance. The geographic distribution of home loans to low-income geographies is reasonable. While the Bank had no loans in low-income geographies, industry comparators also show a limited volume of home purchase (0.84 percent), home improvement (3.27 percent), and home refinance (1.13 percent) lending. The geographic distribution of home purchase and home improvement loans to moderate-income geographies exceeds the standard for satisfactory performance. The Bank made 18.18 percent of home purchase loans and 20 percent of home improvement loans in moderate-income geographies, exceeding industry data of 8.60 percent home purchase loans and 18.36 percent home improvement loans. The geographic distribution of home refinance loans to moderate-income geographies is reasonable. The Bank’s performance of 8 percent falls within a reasonable range to the industry comparator of 9.71 percent.

Table 3 details the geographic distribution of home loans in the AA.

Table 3 - Geographic Distribution of Residential Real Estate Loans in MSA AA								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans	% of AA Aggregate	% of Number of Loans
Home Purchase	0.84	0.00	8.60	18.18	38.81	50.00	51.75	31.82
Home Improvement	3.27	0.00	18.36	20.00	42.74	60.00	35.63	20.00
Home Refinance	1.13	0.00	9.71	8.00	38.45	64.00	50.71	28.00

Source: Data reported under HMDA; HMDA 2016 aggregate

Consumer Loans

Due to the limited level of consumer loans originated in the MSA AA during the evaluation period, an assessment of the geographic distribution of consumer loans is not meaningful, and was not performed.

Responses to Complaints

Southfirst has not received any CRA-related complaints since the previous CRA examination.

Discriminatory or Other Illegal Credit Practices Review

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

The OCC has not identified that this institution, or any affiliate whose loans have been considered as part of the institution's lending performance, has engaged in discriminatory or other illegal credit practices.

