



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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Home Federal Bank, Nampa, Idaho, Assumes All of the Deposits of Community First Bank, Prineville, Oregon

Community First Bank, Prineville, Oregon, was closed today by the Oregon Division of Finance & Corporate Securities, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Home Federal Bank, Nampa, Idaho, to assume all of the deposits of Community First Bank, excluding those from brokers.

The eight branches of Community First Bank will reopen on Monday as branches of Home Federal Bank. Depositors of Community First Bank will automatically become depositors of Home Federal Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship to retain their deposit insurance coverage. Customers should continue to use their existing branches until Home Federal Bank can fully integrate the deposit records of Community First Bank.

Over the weekend, depositors of Community First Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of July 5, 2009, Community First Bank had total assets of \$209 million and total deposits of approximately \$182 million. In addition to assuming all of the deposits of the failed bank, Home Federal Bank agreed to purchase approximately \$197 million of assets. The FDIC will retain the remaining assets for later disposition.

Home Federal Bank will purchase all deposits, except about \$31 million in brokered deposits, held by Community First Bank. The FDIC will pay the brokers directly for the



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-141-2009

amount of their funds. Customers who placed money with brokers should contact them directly for more information about the status of their deposits.

The FDIC and Home Federal Bank entered into a loss-share transaction on approximately \$155 million of Community First Bank's assets. Home Federal Bank will share in the losses on the asset pools covered under the loss-share agreement. The loss-sharing arrangement is projected to maximize returns on the assets covered by keeping them in the private sector. The agreement also is expected to minimize disruptions for loan customers.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-913-3062. The phone number will be operational this evening until 9:00 p.m., Pacific Daylight Time (PDT); on Saturday from 9:00 a.m. to 6:00 p.m., PDT; on Sunday from noon to 6:00 p.m., PDT; and thereafter from 8:00 a.m. to 8:00 p.m., PDT. Interested parties can also visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/community-prineville.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$45 million. Home Federal Bank's acquisition of all the deposits was the "least costly" resolution for the FDIC's DIF compared to alternatives. Community First Bank is the 72nd FDIC-insured institution to fail in the nation this year, and the third in Oregon. The last FDIC-insured institution to be closed in the state was Silver Falls Bank, Silverton, Oregon, on February 20, 2009.

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