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City First Bank of DC

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Infusion of Capital to Increase City First's Impact in Area Neighborhoods Hardest Hit by the Recession

Washington, DC, September 21, 2010 – CF Banc Corporation, the holding company for City First Bank, today announced that it received \$5.8 million in equity investment through the United State Treasury Department's Community Development Capital Initiative (CDCI) Under this program, Community Development Financial Institution (CDFI) banks, thrifts and credit unions that target more than 60 percent of their small business lending and other economic development activities to underserved communities are approved for capital investments by Treasury in the form of preferred stock purchase at an attractive dividend rate of 2 percent for 8 years.

"The CDCI capital provides an opportunity to raise more equity at a lower cost than the Bank could otherwise achieve in today's challenging market," said City First CEO. Dorothy Bridges. "This infusion of capital will allow us to increase our impact in the low and moderate income areas of our community where we focus our lending and services."

Bank officials anticipate that the CDCI capital after being leveraged with customer deposits will spur an additional \$48 million in lending over the next three to five years.

The Treasury enacted the CDCI program to support the expansion and viability of community development financial institutions that focus their activities in the nation's hardest hit communities. Through the CDCI program the Treasury directs stimulus resources to promote job creation and revitalization efforts of the businesses and organizations that operate in and serve low-wealth communities.

About City First

City First Bank of DC is a nationally chartered commercial bank with a mission to provide financial and other services in low to moderate income communities. With assets of \$156 million, loans of \$105 million, and deposits of \$126 million, the bank targets neighborhoods east of 16th Street including far SE and NE Washington and other economically challenged suburban communities. Last year, in excess of \$25 million in loans were originated, 100% of which was for development in low and moderate income neighborhoods. City first has been certified as a Community Development Financial Institution by the CDFI Fund of the US Department of Treasury and has won three rounds of authority under the New Markets Tax Credit Program totaling \$230 million. City First operates its sole branch at 1432 U Street, NW, Washington, DC.

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