

HOME FEDERAL

Home for ALL Your Banking Needs!

STATEMENT OF CONDITION AS OF SEPTEMBER 30, 2008

ASSETS

Mortgage Loans.....	\$111,649,653
Cash on Hand and in Bank.....	2,200,217
U.S. Government and Other Securities.....	101,766,752
Office Properties and Equipment.....	5,714,539
Real Estate Owned.....	112,744
Federal Home Loan Bank.....	1,834,000
Other Assets.....	8,210,582
TOTAL ASSETS.....	<u>\$231,488,487</u>

LIABILITIES

Savings Capital.....	\$179,119,176
Other Liabilities.....	28,753,787
TOTAL LIABILITIES.....	<u>\$207,872,963</u>

EQUITY CAPITAL

General Reserves.....	\$3,522,000
Surplus.....	20,093,524
TOTAL GENERAL RESERVES AND SURPLUS.....	<u>23,615,524</u>

TOTAL LIABILITIES AND EQUITY CAPITAL..... **\$231,488,487**

This statement has been prepared in accordance with the regulatory requirements of the Office of Thrift Supervision (OTS). Home Federal S&L meets all capital requirements as follows: Tier 1 Leverage Capital was \$23,697,000 exceeding the required 4% of assets; Risk-Based Capital was \$23,463,000 exceeding the required 8% of risk-adjusted assets. Regulatory capital is a basis by which the OTS determines whether a savings association is operating in a safe and sound manner.

