

NEWS RELEASE

For more information, contact:
Mitsie Witherspoon, SVP Marketing
Director
First State Bank
106 University Street
Martin, TN 38237
T: (731) 281-4644
F: (731) 281-4668
E: mwitherspoon@first-state.net

FOR RELEASE: Immediate

FIRST STATE ESTABLISHES SMALL BUSINESS LENDING DIVISION

KNOXVILLE, TN – First State has established a Small Business Lending Division in Knoxville, TN, located at 625 Gay Street, Suite 210. Hours of operation for First State Small Business Lending are 8:00 a.m. to 5:00 p.m. Monday through Friday.

First State, headquartered in Union City, TN, began communications with Community South Bank, headquartered in Parsons, TN, and was able to acquire a production team from Community South Bank's Small Business Lending Division. This acquisition allows First State to diversify their product line even further by establishing a new division within the company, First State Small Business Lending. This division will be focused on providing government guaranteed lending to small businesses predominately in Tennessee, Arkansas, and Georgia, utilizing the SBA 7(A) & 504 program and the USDA B&I program.

Founded in 1887, First State is ranked as the fourth oldest Tennessee Chartered Bank. They are a diversified financial services company with 60+ offices throughout Tennessee. In addition to small business lending, banking, mortgage and specialized consumer lending services, First State offers insurance, investments, specialized ag lending, employee benefits and indirect auto lending services to their customers throughout Tennessee.

“I am extremely excited to bring my experienced team of SBA/USDA underwriters and closers to First State,” said Dwight Bateman, Division President of First State Small Business Lending. “We have always been known in the marketplace for our back office and its ability to quickly decision and close government guaranteed loans. We have an outstanding staff, including two business development officers - Mike Taylor serving in Arkansas and Carolyn Robinson serving in Georgia. We are looking forward to expanding our team and expanding our service footprint in the future.”

“We are truly pleased to further diversify our product line with this new and exciting opportunity,” said Chet Alexander, Executive Vice President and Chief Credit Officer for First State. “The small business owner is a vital part of the economy. In the current environment it is important for financial institutions to take every step necessary to insure that they are equipped to provide professional and responsive service to this group. We feel that Dwight and his staff offer this level of service and are top notch. We look forward to the great things this new venture will bring First State and most importantly to our new customers.”

First State Small Business Association is a division of First State Bank, which is owned by Community First Bancshares, a holding company headquartered in Union City, Tenn. In addition to small business lending, First State Bank also operates a mortgage company, an insurance company, a specialized ag services division, an employee benefits division, investment services, a consumer finance company, a trust services division, and an indirect auto financing division at various locations across the state.

The banking company has assets totaling over \$1.65 billion. The banking company has offices in the communities of Blount, Davidson, Dyer, Gibson, Haywood, Henderson, Knox, Madison, Obion, Robertson, Shelby, Sumner, Tipton, Weakley, and Williamson counties in Tennessee. Its metropolitan markets include Collierville, Franklin, Gallatin, Goodlettsville, Hendersonville, Jackson, Knoxville, Nashville, and White House. Most recently, First State has extended its footprint further into East Tennessee by opening a full-service banking office in Maryville located at 710 S. Foothills Plaza.

SunTrust Robinson Humphrey served as financial advisor to Community First Bancshares, Inc. with respect to the acquisition of certain SBA assets from Community South Bank.

#