



October 6, 2011

BY CERTIFIED MAIL RETURN RECEIPT REQUESTED

Board of Directors
Asheville Savings Bank, S.S.B.
11 Church Street
Asheville, North Carolina 28801

Re: Letter of Non-objection

Dear Members of the Board:

The notice of intent to convert from mutual-to-stock form filed on behalf of Asheville Savings Bank, S.S.B, Asheville, North Carolina, has been reviewed by the Federal Deposit Insurance Corporation (FDIC) pursuant to the FDIC's regulations at 12 C.F.R. Sections 303.163 and 333.4. Based on the information provided and representations made, the FDIC poses no objection to the proposed conversion transaction.

In rendering this non-objection, the FDIC has relied significantly on the business plan underlying the subject application, including the accompanying projections. It is imperative that anticipated deviations from the business plan be approved by the FDIC prior to implementation. Material changes in the business plan include, but are not limited to, any new or significantly altered products or services, or significant deviations from the adjusted financial projections submitted in connection with the application.

Please notify the FDIC's Atlanta Regional Director in writing when the proposed transaction has been consummated.

Sincerely,

/s/

Christopher J. Spoth
Senior Deputy Director

cc: Lori M. Beresford
Kilpatrick Townsend & Stockton LLP
607 14th Street, N.W.
Suite 900
Washington, D.C. 20005-2018