

February 20, 2007

Mail Stop 4561

Mr. Robert E. Washburn  
President, Chief Executive Officer, and Director  
AF Financial Group  
21 East Ashe Street  
West Jefferson, North Carolina 28694

**Re: AF Financial Group**  
**Form 10-KSB for Fiscal Year Ended June 30, 2006**  
**Filed September 27, 2006**  
**Forms 10-QSB for Fiscal Quarter Ended September 30, 2006**  
**File Number: 000-24479**

Dear Mr. Washburn:

We have completed our review of your Form 10-KSB and related filings and have no further comments at this time.

Sincerely,

John P. Nolan  
Accounting Branch Chief