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**Crescent State Bank Breaks Ground
On Second Wilmington Office**
*Local Community Bank Begins Construction On New
Office Located At 2506 Independence Boulevard*

CARY, N.C. – Michael G. Carlton, president of Crescent State Bank, a wholly owned subsidiary of Crescent Financial Corporation, (NASDAQ Global MarketSM), has announced that the bank has broken ground on its second Wilmington office. The new office, which is currently under construction and scheduled to open in the spring of 2008, is located at 2506 Independence Blvd. in Wilmington, N.C. Crescent State Bank opened its first office in Wilmington at 1508 Military Cutoff Road following its acquisition of Port City Capital Bank, which was finalized in the summer of 2007. With the addition of the second Wilmington office, Crescent State Bank expands its operations to include 12 full service branch offices in Wake, Johnston, Moore, Lee and New Hanover counties in North Carolina.

Related Links:

<http://www.crescentstatebank.com>.
<http://www.mmimarketing.com>

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Quotes:

“We are pleased to announce that construction has begun on our second Wilmington office,” said Carlton. “This new office will allow us to better serve the needs of our customers in New Hanover County.”

About Crescent State Bank:

Crescent State Bank is a wholly owned subsidiary of Crescent Financial Corporation. The Bank has total assets of \$782.3 million, deposits of \$617.8 million, and net loans of \$600.8 million as of June 30, 2007. The bank operates eleven full service banking offices in the communities of Cary (2), Apex, Clayton, Garner, Holly Springs, Sanford, Southern Pines, Pinehurst, Raleigh and Wilmington, North Carolina. For more information, visit <http://www.crescentstatebank.com>.

Keywords:

Crescent State Bank, Crescent Financial, Global NASDAQ, Michael G. Carlton, Wilmington, N.C.,
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