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Crescent State Bank Announces New Compliance Manager *Mark Vaughn Joins Local Community Bank*

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 Mark Vaughn has joined the bank as senior vice president and compliance manager. In this position, Vaughn will be responsible for maintaining organizational confidentiality and information security, as well as the bank's regulatory compliance with applicable local, state and federal laws and regulations, third party guidelines, and its own policies and procedures.

Prior to joining Crescent State Bank, Vaughn served as a compliance specialist for Barnett Banks, Inc. of Florida, compliance manager for a bank in Lexington, N.C. and senior corporate compliance manager for a bank in Wilson, N.C. He earned his bachelor's degree in business from East Carolina University in 1986 and is a graduate of the American Bankers Association Graduate School of Compliance Management as well as a member of the Institute of Certified Bankers as a Certified Regulatory Compliance Officer. A native of Person County, N.C., Vaughn lives in Wake Forest with his wife, Shannon, and two children, Christopher and Lindsay.

Related Links:

<http://www.crescentstatebank.com>
http://www.aba.com/icbcertifications/about_us.htm

News Facts:

- Michael G. Carlton, president of Crescent State Bank, a wholly owned subsidiary of Crescent Financial Corporation, (NASDAQ Global MarketSM), has announced that Mark Vaughn has joined the bank as senior vice president and compliance manager.
- Vaughn will be responsible for maintaining organizational confidentiality and information security, as well as the bank's regulatory compliance with applicable local, state and federal laws and regulations, third party guidelines, and its own policies and procedures.
- Vaughn has served as a compliance specialist for Barnett Banks, Inc. of Florida, compliance manager for a bank in Lexington, N.C. and senior corporate compliance manager for a bank in Wilson, N.C.
- He earned his bachelor's degree in business from East Carolina University in 1986 and is a graduate of the American Bankers Association Graduate School of Compliance Management as well as a member of the Institute of Certified Bankers as a Certified Regulatory Compliance Officer.
- A native of Person County, N.C., Vaughn lives in Wake Forest with his wife, Shannon, and two children, Christopher and Lindsay.

Quotes:

"I am pleased to announce Mark Vaughn as a new compliance manager for Crescent State Bank," said Carlton. "His extensive experience and training as a compliance manager will represent a tremendously important asset to our growing organization."

About Crescent State Bank:

Crescent State Bank is a wholly owned subsidiary of Crescent Financial Corporation. The Bank has total assets of approximately \$752 million, deposits of approximately \$590 million, and loans of \$579 million as of March 31, 2007, with 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>.

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Information in this press release contains "forward-looking statements." These statements involve risks and uncertainties that could cause actual results to differ materially, including without limitation, the effects of future economic conditions, governmental fiscal and monetary policies, legislative and regulatory changes, the risks of changes in interest rates, and the effects of competition. Additional factors that could cause actual results to differ materially are discussed in Crescent Financial Corporation's recent filings with the Securities and Exchange Commission, including, but not limited to, its Annual Report on Form 10-K and its other periodic reports.

Keywords:

Crescent State Bank, Crescent Financial Corporation, Global NASDAQ, Mike Carlton, Cary N.C., Garner, N.C., Apex, N.C., Clayton, N.C., Holly Springs, N.C., Stanford, N.C., Southern Pines, N.C., Pinehurst, N.C., Raleigh, N.C., Wilmington, N.C., Mark Vaughn, Compliance Manager, Institute of Certified Bankers

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