Relan Craig S Form 4 August 03, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Last)

(City)

1.Title of

Security

(Instr. 3)

(Print or Type Responses)

1. Name and Address of Reporting Person * Relan Craig S

2. Issuer Name and Ticker or Trading Symbol

Issuer

Cape Fear Bank CORP [CAPE]

(Check all applicable)

(First)

1117 MILITARY CUTOFF ROAD

(Street)

(State)

3. Date of Earliest Transaction (Month/Day/Year)

06/29/2007

X_ Director 10% Owner Other (specify Officer (give title below)

6. Individual or Joint/Group Filing(Check

5. Relationship of Reporting Person(s) to

(Middle)

(Zip)

4. If Amendment, Date Original

Applicable Line)

Filed(Month/Day/Year)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

WILMINGTON, NC 28405

2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if

4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8) (Instr. 3, 4 and 5) 5. Amount of Securities Beneficially Owned Following Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Beneficial Indirect (I) Ownership (Instr. 4) (Instr. 4)

(A) or

Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

9,646 (1) D

Common Stock

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

(Month/Day/Year)

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	of			7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Pri Deriv Secur (Instr
				Code V	(A) (D) Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Director Stock Option Grant (Right to Buy)	\$ 6.68 (1)					06/17/1999	06/17/2009	Common Stock	12,058	
Director Stock Option Grant (Right to Buy)	\$ 3.78 (1)					02/21/2002	02/21/2012	Common Stock	6,201	
Director Stock Option Grant (Right to Buy)	\$ 9.76 (1)					01/22/2006	07/22/2015	Common Stock	5,925	

Reporting Owners

Reporting Owner Name / Address	Relationships						
-	Director	10% Owner	Officer	Other			
Relan Craig S 1117 MILITARY CUTOFF ROAD WILMINGTON, NC 28405	X						
Cianaturas							

Signatures

Craig S. Relan, By: William R. Lathan, Jr., 08/03/2007 Attorney-in-Fact

> **Signature of Reporting Person Date

Reporting Owners 2 Edgar Filing: Relan Craig S - Form 4

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- As adjusted to reflect the effect of two 5% stock dividends which became effective June 30, 2006 and June 29, 2007. As a result of the stock dividends, the reporting person received an aggregate of 896 additional shares which are included in the common stock shares
- reported as held directly. At the same time, and in accordance with antidilution provisions of the Issuer's stock option plans, the reporting person's stock options became exercisable for 2,246 additional shares, and the exercise prices were similarly adjusted.

Remarks:

This report is being furnished solely to show the effect of the stock dividends and does not represent a transaction by the report

The Issuer is the successor issuer under Rule 12g-3(a) to Cape Fear Bank pursuant to a statutory share exchange in which the Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.