



DIVISION OF  
CORPORATION FINANCE

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

April 26, 2011

Michael G. Carlton  
President and Chief Executive Officer  
Crescent Financial Corporation  
1005 High House Road  
Cary, NC 27513-3586

**Re: Crescent Financial Corporation**  
**Preliminary Proxy**  
**Filed March 31, 2011**  
**File No. 0-32951**

Dear Mr. Carlton:

We have reviewed your filing and have the following comments. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure.

Please respond to this letter within ten business days by amending your filing, by providing the requested information, or by advising us when you will provide the requested response. If you do not believe our comments apply to your facts and circumstances or do not believe an amendment is appropriate, please tell us why in your response.

After reviewing any amendment to your filing and the information you provide in response to these comments, we may have additional comments.

General comments on this filing

1. Please provide the staff with additional analysis supporting your conclusion that the series of events contemplated by the investment contract does not have a reasonable likelihood of creating the effects described in Rule 13e-3(a)(3)(ii). Also, describe how you concluded that the company will continue to meet NASDAQ listing requirements and maintain a sufficient number of shareholders and will continue to be a registrant under Section 12 of the Securities Exchange Act of 1934.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes the information the Securities Exchange Act of 1934 and all applicable Exchange Act rules require. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

In responding to our comments, please provide a written statement from the company acknowledging that:

- the company is responsible for the adequacy and accuracy of the disclosure in the filing;
- staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filing; and
- the company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

Please contact the undersigned at 202 551-3419 with any other questions.

Sincerely,

Christian Windsor  
Senior Counsel

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