

Mail Stop 4561

November 25, 2008

A. Mark Tyler
President & Chief Executive Officer
Cape Fear Bank Corporation
1117 Military Cutoff Road
Wilmington, NC 28405

Re: Cape Fear Bank Corporation
Preliminary Proxy Statement on Schedule 14A
Filed November 6, 2008
File Number 0-51513

Dear Mr. Tyler:

We have completed our review of your Preliminary Proxy Statement on Schedule 14A and have no further comments at this time.

Sincerely,

David S. Lyon
Senior Financial Analyst