

Cape Fear Bank CORP
 Form 4
 June 07, 2007

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Coburn John Cameron

(Last) (First) (Middle)
 1117 MILITARY CUTOFF ROAD
 (Street)

WILMINGTON, NC 28405

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 Cape Fear Bank CORP [CAPE]

3. Date of Earliest Transaction
 (Month/Day/Year)
 06/05/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 President and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	06/05/2007		P		245	A	\$ 10.45
Common Stock					1,050		(6)
Common Stock					1,850		(3) (6)
Common Stock					3,041		(6)
						D	(1) (2)
						I	By 401 (k)
						I	By Trust for minor child

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

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(9-02)

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

1. Title of 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. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Employee Stock Option Grant (Right to Buy)	\$ 7.01				(4)	06/17/2009	Common Stock	32,812
Director Stock Option (Right to Buy)	\$ 7.01					06/17/1999 06/17/2009	Common Stock	11,484
Director Stock Option Grant (Right to Buy)	\$ 3.97					02/21/2002 02/21/2012	Common Stock	5,906
Employee Stock Option Grant (Right to Buy)	\$ 3.97					02/21/2003 02/21/2012	Common Stock	9,843
Employee Stock Option Grant	\$ 10.25				(5)	07/22/2015	Common Stock	36,093

(Right to Buy)

Director
Stock

Option Grant	\$ 10.25	01/22/2006	07/22/2015	Common Stock	5,643
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(Right to Buy)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Coburn John Cameron 1117 MILITARY CUTOFF ROAD WILMINGTON, NC 28405	X		President and CEO	

Signatures

John Cameron Coburn, By: William R. Lathan, Jr.,
Attorney-in-Fact

06/07/2007

__Signature of Reporting Person Date

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).
- (1) Owned by the John Cameron Coburn Revocable Trust dated July 5, 2007.
- (2) This report reflects the movement of 111,500 shares previously listed as direct into the John Cameron Coburn Revocable Trust Agreement Dated July 22, 2005.
- (3) The information in this report is based on the plan statement as of December 31, 2006.
- (4) This option vests 20% annually beginning on 6/17/2000.
- (5) This option vests 25% annually beginning on 07/22/2006.
- (6) As adjusted to reflect the effect of a 5% stock dividend which became effective June 30, 2006. As a result of the stock dividend, the reporting person received an aggregate of 5,625 and 223 additional shares which are included in the common stock shares reported as held directly and indirectly, respectively. 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 4,850 additional shares, and the exercise price was similarly adjusted.

Remarks:

The Issuer is the successor issuer under Rule 12g-3(a) to Cape Fear Bank pursuant to a statutory share exchange in which the I

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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