

COMMUNITY NATIONAL BANK

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FOR IMMEDIATE RELEASE

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COMMUNITY NATIONAL BANK REPORTS THIRD QUARTER 2010 RESULTS HIGHLIGHTED BY CONTINUED GROWTH IN EARNINGS AND LOANS

Great Neck, N.Y. 6 October 22, 2010 6 Community National Bank (OTC BB: CBNY.OB) today reported strong earnings and continued loan growth for the quarter ended September 30, 2010.

Net Earnings

Net income on a linked quarter increased \$81 thousand or 25% to \$404 thousand or \$0.06 per share at September 30, 2010 compared to \$323 thousand or \$0.06 cents per share at June 30, 2010. For the nine months ended net income was \$861 thousand or \$0.15 cents per share compared to a net loss of (\$12) thousand for the same period in 2009. Commenting on the third period result, Chairman, President and CEO, Stuart Lubow stated "We are pleased with the continued growth in earnings and the loan portfolio. The \$18 million in additional capital raised in the prior quarter and strong capital ratios will allow the Bank to continue to deploy excess liquidity into higher yielding commercial loans and should provide for continued earnings growth in the future."

Net Interest Income

For the quarter ended September 30, 2010, net interest income increased \$298 thousand or 9% to \$3.6 million compared to \$3.3 million for the same period in 2009. The increase in net interest income was due to higher volume in the securities and loan portfolios which was funded by growth in deposits and Federal Home Loan Bank ("FHLB") borrowings. The Bank's net interest margin decreased 23 basis points to 3.21% at September 30, 2010 from 3.44% in the prior year period. The change in the net interest margin resulted from the Bank's excess liquidity position and a continued decline in interest rates from the prior year period.

For the nine months ended September 30, 2010, net interest income increased \$1.8 million or 20% to \$10.7 million compared to \$8.8 million for the nine months ended September 30, 2009. The Bank's net interest margin increased 12 basis points to 3.37% at September 30, 2010 from 3.25% in the prior year period. The increase in both the interest income and margin during the period was due to greater volume in loans and securities and a 63 basis point decline in the cost of funds on interest bearing liabilities from 2.39% at September 30, 2009 to 1.76% at September 30, 2010.

Loans and Asset Quality

The Bank had \$3.1 million in loans held-for-sale at September 30, 2010, of which \$2.7 million represented Small Business Association ("SBA") loans. The Bank recognized approximately \$344 thousand in gains during the third quarter of 2010 from SBA loans sold in the second quarter of 2010 and expects to recognize approximately \$140 thousand in gains during the fourth quarter of 2010.

Loans held-for-investment increased \$16.5 million to \$306.5 million at September 30, 2010 compared to \$290.0 million at June 30, 2010. The commercial loan portfolio increased \$10.6 million or 6% on a linked quarter. The residential and consumer loan portfolio increased \$5.9 million or 5.1% during the quarter. Mr. Lubow commented "The Bank continues to execute its strategy of developing core banking relationships with small and medium sized businesses and residential customers as demonstrated by the \$16.5 million increase in the loan portfolio during the third quarter. The Bank expects further loan growth as the loan commitment pipeline remains robust for the fourth quarter of 2010."

The non-performing loans to total loans ratio was 1.19% at September 30, 2010. The Bank's allowance for loan losses was \$3.7 million or 1.20% of total loans at September 30, 2010.

ABOUT COMMUNITY NATIONAL BANK

Community National Bank is a Long Island based independent commercial bank and operates seven locations in Nassau and Suffolk counties. We offer a full range of modern financial services, backed by state-of-the-art technology. In addition to commercial loans, commercial mortgages, small business loans and lines of credit, residential mortgages, CNB also provides a complete selection of traditional personal and commercial deposit products such as no fee individual and business checking accounts, IRA accounts and statement savings.

Cautionary Statement about Forward-Looking Statements

This release contains certain "forward looking statements" about CNB which, to the extent applicable, are intended to be covered by the safe harbor for forward looking statements provided under the Federal securities laws and, regardless of such coverage, you are cautioned about. Forward-looking statements are not historical facts. Such statements may be identified by the use of such words as "may," "believe," "expect," "anticipate," "plan," "continue," or similar terminology. These statements relate to future events or our future financial performance and involve risks and uncertainties that may cause our actual results, levels of activity, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we caution you not to place undue reliance on these forward-looking statements. Factors which may cause our forward looking statements to be materially inaccurate include, but are not limited to, a failure to sell SBA loans, unexpected deterioration in our loan portfolio, unexpected increases in our expenses, greater than anticipated growth, unanticipated regulatory action, unexpected changes in interest rates, a loss of key personnel, an unanticipated loss of existing customers, competition from other institutions causing us unanticipated changes in our deposit or loan rates, increases in FDIC insurance costs and unanticipated adverse changes in our customers' economic conditions or economic conditions in our local area generally.

Forward-looking statements speak only as of the date of this press release. We do not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

COMMUNITY NATIONAL BANK
STATEMENTS OF INCOME
(Unaudited)

	For The Three Months Ended		For The Nine Months Ended	
	September 30		September 30,	
	2010	2009	2010	2009
Interest Income:				
Commercial Loans	\$2,664,411	\$2,318,193	\$7,731,507	\$6,656,284
Residential and Consumer Loans	1,547,315	1,723,803	4,853,424	5,439,000
Securities	786,915	803,135	2,431,438	2,038,933
Money Market Investments	19,868	6,316	38,828	22,890
Total Interest Income	5,018,509	4,851,447	15,055,197	14,157,107
Interest Expense:				
NOW, Savings & Money Market	165,394	245,511	591,620	861,028
Certificates of Deposit	1,082,801	1,319,071	3,241,745	4,391,526
Borrowed Funds	214,162	28,514	556,184	32,499
Total Interest Expense	1,462,357	1,593,096	4,389,549	5,285,053
Net Interest Income	3,556,152	3,258,351	10,665,648	8,872,054
Provision For Loan Losses	585,000	200,000	1,302,000	1,005,000
Net Interest Income After Provision for Loan Losses	2,971,152	3,058,351	9,363,648	7,867,054
Non-Interest Income:				
Service Charges	89,416	120,928	253,702	272,591
Loan Fees & Servicing Income	109,471	49,151	198,858	125,162
Gain on Sale of Investments	229,158	15,222	284,141	273,930
Gain on Sale of Loans	344,056	88,581	866,178	233,372
BOLI Income	112,189	-	151,698	-
Total Non-Interest Income	884,290	273,882	1,754,577	905,055
Non-Interest Expense:				
Compensation and Benefits	1,426,607	1,302,524	4,319,978	3,782,656
Occupancy and Equipment	888,602	888,903	2,716,669	2,624,603
Advertising	44,006	6,248	97,686	119,952
Other Expenses	845,356	797,314	2,571,000	2,256,849
Total Non-Interest Expense	3,204,571	2,994,989	9,705,333	8,784,060
Income Before Income Taxes	650,871	337,244	1,412,892	(11,951)
Provision For Income Taxes	247,299	-	552,362	-
Net Income/(Loss)	\$403,572	\$337,244	\$860,530	(\$11,951)
Earnings Per Share:				
Basic	\$0.06	\$0.07	\$0.15	(\$0.00)
Weighted Average Shares Outstanding ó Basic	6,666,303	4,871,041	5,579,008	4,871,041

COMMUNITY NATIONAL BANK
STATEMENTS OF INCOME
(Unaudited)

	Quarter Ended September 30, 2010	Quarter Ended June 30, 2010	Quarter Ended December 31, 2009	Quarter Ended September 30, 2009
Interest Income:				
Commercial Loans	\$2,664,411	\$2,645,591	\$2,643,210	\$2,318,193
Residential and Consumer Loans	1,547,315	1,590,295	1,668,252	1,723,803
Securities	786,915	781,066	900,699	803,135
Money Market Investments	19,868	13,771	11,902	6,316
Total Interest Income	5,018,509	5,030,723	5,224,063	4,851,447
Interest Expense:				
NOW, Savings & Money Market	165,394	207,256	214,778	245,511
Certificates of Deposit	1,082,801	1,101,180	1,186,576	1,319,071
Borrowed Funds	214,162	202,800	115,191	28,514
Total Interest Expense	1,462,357	1,511,236	1,516,545	1,593,096
Net Interest Income	3,556,152	3,519,487	3,707,518	3,258,351
Provision For Loan Losses	585,000	410,000	860,000	200,000
Net Interest Income After Provision for Loan Losses	2,971,152	3,109,487	2,847,518	3,058,351
Non-Interest Income:				
Service Charges	89,416	92,503	94,515	120,928
Loan Fees & Servicing Income	109,471	24,245	58,883	49,151
Gain on Sale of Investments	229,158	52,915	352,085	15,222
Gain on Sale of Loans	344,056	517,409	246,346	88,581
BOLI Income	112,189	39,509	-	-
Total Non-Interest Income	884,290	726,581	751,829	273,882
Non-Interest Expense:				
Compensation and Benefits	1,426,607	1,490,136	1,305,650	1,302,524
Occupancy and Equipment	888,602	901,056	908,670	888,903
Advertising	44,006	39,885	9,681	6,248
Other Expenses	845,356	866,416	863,037	797,314
Total Non-Interest Expense	3,204,571	3,297,493	3,087,038	2,994,989
Income Before Income Taxes	650,871	538,575	512,309	337,244
Provision For Income Taxes	247,300	215,701	(1,833,650)	-
Net Income	\$403,571	\$322,874	\$2,345,959	\$337,244
Earnings Per Share:				
Basic	\$0.06	\$0.06	\$0.48	\$0.07
Weighted Average Shares Outstanding ó Basic	6,666,303	5,179,954	4,871,041	4,871,041

COMMUNITY NATIONAL BANK
BALANCE SHEETS
(Unaudited)

Assets:	September 30, 2010	June 30, 2010	December 31, 2009	September 30, 2009
Cash and Due From Banks	\$3,635,741	\$4,654,965	\$4,335,020	\$3,779,386
Money Market Investments	12,722,625	42,477,882	9,051,659	15,573,845
Securities - Available-for-Sale	119,832,800	107,508,416	91,863,141	88,617,690
Restricted Stock	3,360,650	3,367,750	2,711,100	2,287,050
Total Securities	123,193,450	110,876,166	94,574,241	90,904,740
Loans Held-For-Sale	3,119,359	5,065,700	-	-
Commercial Loans	184,736,869	174,102,694	155,145,009	157,892,598
Residential & Consumer	121,763,547	115,901,584	129,076,051	125,876,636
Gross Loans Held-For-Investment	306,500,416	290,004,278	284,221,060	283,769,234
Less: Allowance For Loans Losses	(3,664,619)	(3,263,027)	(3,281,793)	(2,806,986)
Net Loans Held-For-Investment	302,835,797	286,741,251	280,939,267	280,962,248
Premises and Equipment	7,831,395	8,024,599	8,348,810	8,534,310
Other Assets	18,101,046	16,752,671	6,842,718	4,133,250
Total Assets	\$471,439,413	\$474,593,234	\$404,091,715	\$403,887,779
Liabilities and Stockholders' Equity:				
Deposits:				
Demand	\$65,495,483	\$67,506,715	\$46,821,171	\$48,616,026
NOW, Savings & Money Market	113,855,744	107,530,296	104,404,401	103,444,997
Certificates of Deposit	192,449,661	197,718,233	185,867,790	195,956,642
Total Deposits	371,800,888	372,755,244	337,093,362	348,017,665
FHLB Borrowings	30,412,763	30,892,157	19,842,652	10,000,000
Secured Borrowings - SBA Loans	1,386,109	3,060,000	-	-
Accrued Expenses and Other Liabilities	2,785,119	3,494,005	1,520,650	1,790,915
Total Liabilities	406,384,879	410,201,406	358,456,664	359,808,580
Stockholders' Equity:				
Common Stock	33,365,905	33,139,905	24,355,205	24,355,205
Additional Paid in Capital	33,652,389	33,421,447	24,637,796	24,604,412
Retained Deficit	(2,324,370)	(2,727,942)	(3,184,900)	(5,530,860)
Unrealized Gain/(Loss) on Securities	360,610	558,418	(173,050)	650,442
Total Stockholders' Equity	65,054,534	64,391,828	45,635,051	44,079,199
Total Liabilities and Stockholders' Equity	\$471,439,413	\$474,593,234	\$404,091,715	\$403,887,779

COMMUNITY NATIONAL BANK
SELECTED FINANCIAL DATA AND BALANCE SHEET COMPONENTS
(Unaudited)

SELECTED FINANCIAL DATA:	For The Three Months Ended		For The Nine Months Ended	
	September 30,		September 30	
	2010	2009	2010	2009
Per Share:				
Net Income - Basic	\$0.06	\$0.07	\$0.15	\$0.00
Average Shares Outstanding - Basic	6,666,303	4,871,041	5,579,008	4,871,041
Book Value	\$9.75	\$9.05	\$9.75	\$9.05
 Performance:				
Return on Average Total Assets	0.34%	0.34%	0.26%	0.00%
Return on Average Equity	2.49%	3.14%	2.15%	(0.04)%
Efficiency Ratio	72.17%	84.79%	78.14%	89.84%
 Yield on Average Earning Assets	4.53%	5.11%	4.76%	5.19%
Cost on Average Interest Bearing Liabilities	1.73%	2.11%	1.76%	2.39%
Net Interest Spread	2.80%	3.00%	2.99%	2.80%
Net Interest Margin	3.21%	3.44%	3.37%	3.25%
	Quarter Ended			
	September 30,	June 30,	December 31,	September 30,
	2010	2010	2009	2009
Risk Based Capital:				
Leverage Ratio	13.63%	14.06%	10.94%	11.08%
Tier 1	21.58%	21.79%	17.33%	17.13%
Total	22.82%	22.91%	18.59%	18.23%
 Asset Quality:				
Allowance for Loan Losses to Total Loans	1.20%	1.13%	1.15%	0.99%
Allowance for Loan Losses to Non-Performing Loans	101%	5516%	55%	39%
Non-performing Loans to Total Loans	1.19%	0.02%	2.11%	2.57%
Non-performing Assets to Total Assets	0.77%	0.01%	1.48%	1.81%
Annualized Quarterly Net Charge-offs to Average Loans	0.25%	0.91%	0.60%	0.06%
 Performance:				
Yield on Average Earning Assets	4.53%	4.70%	5.26%	5.11%
Cost on Average Interest Bearing Liabilities	1.73%	1.77%	1.90%	2.11%
Net Interest Spread	2.80%	2.93%	3.36%	3.00%
Net Interest Margin	3.21%	3.28%	3.73%	3.44%