

**BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM
Washington, D.C. 20551**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **April 17, 2009**

MAINSTREET BANK

(Exact name of registrant as specified in its charter)

VIRGINIA (State or other jurisdiction of incorporation)	N/A (Commission File Number)	47-0914596 (IRS Employer Identification No.)
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727 ELDEN STREET HERNDON, VIRGINIA (Address of principal executive offices)	20170 (Zip Code)
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Registrant's telephone number, including area code **(703) 481-4567**

NOT APPLICABLE

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

PRESS RELEASE

For Immediate Release
April 17, 2009

Contact: Jeff W. Dick
(703) 481-4567

MainStreet Bank Reports Profitable First Quarter

Herndon, VA — MainStreet Bank (OTC Bulletin Board: MNSB) reported a \$67 thousand net profit for the quarter-ended March 31, 2009.

Chairman, President & CEO Jeff W. Dick said “I am pleased to be able to report continued solid progress along with sustained profitability. Without a doubt, we are operating in one of the worst financial markets in history, which has provided many extraordinary challenges for us and for our customers.”

The bank’s balance sheet continues on a good growth track, with total assets at \$200 million, which is an increase of 25% over the first quarter last year. Gross loans are now at \$147 million, which represents an increase of more than \$25 million in new loans to borrowers in our community. Total deposits are at \$155 million, an increase of 36% over the same time period.

After nearly five years of operations, asset quality remains exceptionally strong. Total non-performing loans as of March 31, 2009 were less than ½ of one percent of gross loans, and consists of four loans – one of which represents the 75% guarantee portion of a Small Business Administration loan which is still in the process of collection. Loans past due between 30 - 89 days were 1/10 of one percent of gross loans. There are no performing loans past due over 90 days.

With our robust and easy-to-use online banking technology, we have now put our bank in over 250 businesses in the Metropolitan area and across the United States. We are not bounded by a conventional branching system, as we can offer business customers the ability to **Put Our Bank in Your Office**[®]. Using MainStreet Bank’s secure website, business customers can do everything they can do in a branch, including: managing accounts, paying bills, transferring funds, initiating ACH and wire transfers, sweeping funds, making loan payments, advancing from lines of credit, and depositing cash. The technology interfaces with Intuit[®] and Microsoft[®] accounting software for greater efficiency in accounting and finance operations. For accounts payable, customers can also build in reminders, customize loan payments, and set up regular funds transfers.

The Bank has offices located at 727 Elden Street in Herndon, Virginia and 4029 Chain Bridge Road in Fairfax, Virginia. MainStreet Bank is the first community bank in the Washington, DC Metropolitan area to offer a full online business banking solution. MainStreet Bank was also the first bank headquartered in the Commonwealth of Virginia to offer CDARS – a solution that provides FDIC insurance on deposits up to \$50 million. Further information on the Bank can be obtained by visiting its website at www.mstreetbank.com.

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This release contains forward-looking statements, including our expectations with respect to future events, that are subject to various risks and uncertainties. Factors that could cause actual results to differ materially from management's projections, forecasts, estimates and expectations include: fluctuation in market rates of interest and loan and deposit pricing, adverse changes in the overall national economy as well as adverse economic conditions in our specific market areas, maintenance and development of well-established and valued client relationships and referral source relationships, and acquisition or loss of key production personnel. Other risks that can affect the Bank are detailed from time to time in our quarterly and annual reports filed with the Board of Governors of the Federal Reserve System. We caution readers that the list of factors above is not exclusive. The forward-looking statements are made as of the date of this release, and we may not undertake steps to update the forward-looking statements to reflect the impact of any circumstances or events that arise after the date the forward-looking statements are made. In addition, our past results of operations are not necessarily indicative of future performance.

MAINSTREET BANK
FINANCIAL HIGHLIGHTS (Unaudited)

	Quarter Ended		%
	(000's except share data)		
<u>Operations</u>	<u>3/31/09</u>	<u>3/31/08</u>	<u>Change</u>
Interest income	\$ 2,498	\$ 2,492	0.2
Interest expense	1,161	1,209	(4.0)
Net interest income	1,337	1,283	4.2
Provision for loan losses	213	74	187.8
Net interest income after provision for loan losses	1,124	1,209	(7.0)
Other income	313	70	347.1
Operating expenses	1,370	1,367	0.2
Income (loss) before income taxes	67	(88)	nm
Income taxes	—	—	—
Net income (loss)	\$ 67	\$ (88)	nm
<u>Per Share Data</u>			
Earnings (loss) per share (basic and diluted)	\$0.03	(\$ 0.04)	nm
Book value per share, exclusive of nonvested shares	\$8.84	\$ 8.69	1.7
Closing stock price	\$3.70	\$ 7.50	(50.7)
Weighted average shares (basic and diluted)	2,438,530	2,442,012	
<u>Selected Balance Sheet Data</u>			
Investments	\$ 32,294	\$ 34,632	(6.8)
Gross Loans	\$ 146,894	\$ 121,866	20.5
Total Assets	\$ 199,882	\$ 160,259	24.7
Deposits	\$ 155,578	\$ 114,846	35.5
Federal Funds and Repurchase Agreements	\$ 1,486	\$ 2,990	(50.3)
Borrowings	\$ 20,579	\$ 20,629	(0.2)
Stockholders' Equity	\$ 21,585	\$ 21,237	1.6
<u>Ratios</u>			
Return (loss) on average assets	0.03%	(0.06%)	
Return (loss) on average equity	0.31%	(0.42%)	
Gross loans to deposits	94.42%	106.11%	
Net interest margin	3.04%	3.44%	
Efficiency ratio	97.60%	101.07%	
Allowance for loan losses to total loans	1.23%	1.12%	
Past due loans 30-89 days to total gross loans	0.10%	1.05%	
Past due loans 90 days or more to total gross loans	0.00%	0.00%	
Non-accrual loans to total gross loans	0.47%	0.19%	
<u>Regulatory Capital Ratios</u>			
Tier 1 risk-based capital ratio	14.36%	16.82%	
Total risk-based capital ratio	15.52%	17.84%	
Leverage ratio	11.68%	14.71%	
<u>Balance Sheet (averages)</u>			
Investments	\$ 31,546	\$ 18,461	70.9
Gross Loans	\$ 144,256	\$ 116,504	23.8
Total Assets	\$ 194,741	\$ 152,581	27.6
Deposits	\$ 150,520	\$ 118,923	26.6
Borrowings	\$ 20,587	\$ 8,933	130.5
Stockholders' Equity	\$ 21,581	\$ 21,269	1.5

Nm = not material