

**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) **November 5, 2008**

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))

Item 2.02 Results of Operations and Financial Condition.

On November 5, 2008, MainStreet Bank (the “Bank”) issued a press release announcing its financial results for the third quarter and nine months ended September 30, 2008. A copy of the Bank’s press release is attached hereto as Exhibit 99.1.

The information in this Item 2.02, and the related Exhibit 99.1, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit 99.1 MainStreet Bank press release dated November 5, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 5, 2008

**MAINSTREET BANK
(Registrant)**

By: /S/
Jeff W. Dick
President & Chief Executive Officer

PRESS RELEASE

For Immediate Release
November 5, 2008

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

MAINSTREET BANK Profitable through Third Quarter

Herndon, VA — MainStreet Bank (OTC Bulletin Board: MNSB) announced a return to profitability through the third quarter of 2008. The Bank reported third quarter 2008 net income of \$87 thousand, compared to a net loss of \$121 thousand for the same period ended September 30, 2007. The previous year's net loss was anticipated as part of an overall corporate growth strategy.

President & CEO Jeff W. Dick said "During this time of unprecedented economic uncertainty, we are especially pleased with the bank's return to profitability. Our balance sheet is strong, as we did not succumb to the allure of subprime lending. Our goal is to continue a conservatively aggressive growth strategy with an aim toward sustainable profitability."

The bank's balance sheet continues on a good growth track, with total assets at \$177.3 million, which is an increase of 27% over the third quarter last year. Gross loans are now at \$136.2 million, an increase of 23% and total deposits are at \$133.0 million, an increase of 23% over the same time period.

After four years of operations, asset quality remains strong. Total non-performing loans as of September 30, 2008 were \$172,508 or 0.13% of gross loans, and consist of a single loan with a 75% guarantee from the Small Business Administration. Loans past due between 30 - 89 days were \$167,587 or 0.12% of gross loans. There are no loans past due over 90 days.

With our robust and easy-to-use online banking technology, we have now put our bank in well over 200 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)

Operations	Quarter Ended (000's except share data)			Year to-Date (000's except share data)		
	9/30/08	9/30/07	% Change	9/30/08	9/30/07	% Change
Interest income	\$ 2,623	\$ 2,615	0.3	\$ 7,634	\$ 7,017	8.8
Interest expense	1,180	1,228	(3.9)	3,543	3,157	12.2
Net interest income	1,443	1,387	4.0	4,091	3,860	6.0
Provision for loan losses	105	112	(6.3)	276	312	(11.5)
Net interest income after provision for loan losses	1,338	1,275	4.9	3,815	3,548	7.5
Other income	116	60	93.3	249	142	75.4
Operating expenses	1,367	1,456	(6.1)	4,060	4,103	(1.0)
Income (loss) before income taxes	87	(121)	nm	4	(413)	nm
Income taxes	—	—	—	—	—	—
Net income (loss)	\$ 87	\$ (121)	nm	\$ 4	\$ (413)	nm

Per Share Data

Earnings (loss) per share (basic and diluted)	\$0.03	(\$0.05)	nm	\$0.00	(\$0.17)	nm
Book value per share, exclusive of nonvested shares	\$8.72	\$8.75	(0.3)	\$8.72	\$8.75	(0.3)
Closing stock price	\$6.00	\$9.85	(39.1)	\$6.00	\$9.85	(39.1)
Weighted average shares (basic and diluted)	2,429,648	2,425,893		2,425,598	2,425,034	

Selected Balance Sheet Data

Investments	\$ 24,837	\$ 20,904	18.8			
Gross Loans	\$ 136,154	\$ 110,953	22.7			
Total Assets	\$ 177,343	\$ 139,497	27.1			
Deposits	\$ 132,994	\$ 108,238	22.9			
Federal Funds and Repurchase Agreements	\$ 2,031	\$ 3,732	(45.6)			
Borrowings	\$ 20,604	\$ 5,654	264.4			
Stockholders' Equity	\$ 21,158	\$ 21,260	(0.5)			

Ratios

Return (loss) on average assets	0.05%	(0.09%)		0.00%	(0.34%)	
Return (loss) on average equity	0.41%	(0.57%)		0.02%	(1.92%)	
Gross loans to deposits	102.38%	102.51%				
Net interest margin	3.33%	4.06%		3.36%	4.27%	
Efficiency ratio	87.67%	100.65%		93.56%	102.53%	
Allowance for loan losses to total loans	1.11%	1.14%				
Past due loans 30-89 days to total gross loans	0.12%	2.76%				
Past due loans 90 days or more to total gross loans	0.00%	0.00%				
Non-accrual loans to total gross loans	0.13%	0.00%				

Regulatory Capital Ratios

Tier 1 risk-based capital ratio	15.02%	18.51%				
Total risk-based capital ratio	16.03%	19.56%				
Leverage ratio	12.94%	16.26%				

Balance Sheet (averages)

Investments	\$ 28,003	\$ 13,390	109.1	\$ 25,340	\$ 13,935	81.8
Gross Loans	\$ 134,167	\$ 106,802	25.6	\$ 125,390	\$ 95,700	31.0
Total Assets	\$ 174,400	\$ 137,979	26.4	\$ 164,817	\$ 123,153	33.8
Deposits	\$ 129,834	\$ 107,593	20.7	\$ 123,808	\$ 93,577	32.3
Borrowings	\$ 20,612	\$ 5,662	264.0	\$ 16,737	\$ 5,674	195.0
Stockholders' Equity	\$ 21,333	\$ 21,416	(0.4)	\$ 21,292	\$ 21,534	(1.1)

Nm = not material