

****PRESS RELEASE****

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**HOMETOWN BANCORP, INC. TO ACQUIRE \$19.3 MILLION IN DEPOSITS AND NEW
MONROE, NEW YORK BRANCH**

Hometown Bancorp, Inc., (the “Company”) (OTCBB: HTWC) the mid-tier holding company for Walden Federal Savings and Loan Association (the “Bank”), announced today that the Bank has signed a purchase and assumption agreement with First Federal Savings of Middletown to acquire approximately \$19.3 million of deposits for a deposit premium of 4.0% and its Monroe, New York branch. The Bank is not acquiring any loans as part of this transaction.

Commenting on the transaction, Thomas F. Gibney, President and CEO of the Company and the Bank said, “We look forward to providing the same high quality, personalized level of service these customers were accustomed to receiving from First Federal Savings of Middletown.” The Bank expects to retain the current staff. This transaction has received approvals from the boards of directors of both companies, and remains subject to regulatory approval. The acquisition is expected to close during the quarter ending September 2011. In connection with the branch acquisition, the Bank intends to close its Monroe Shop Rite branch and consolidate its operations into the new full service Monroe branch office.

Established in 1919, the Bank is a community-oriented financial institution headquartered in Walden, New York. Through its six offices, the Bank offers a full-range of financial services to individuals and businesses within its market area. For more information on Hometown Bancorp, Inc. and Walden Federal Savings and Loan Association go to our website www.waldenfederal.com.

This press release contains certain forward-looking statements that are based on assumptions and may describe future plans, strategies and expectations of the Company. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like “believe,” “expect,” “anticipate,” “estimate” and “intend” or future or conditional verbs such as “will,” “would,” “should,” “could” or “may.” Certain factors that could cause actual results to differ materially from expected results include changes in the interest rate environment, changes in general economic conditions, legislative and regulatory changes that adversely affect the business of the Company and the Bank, and changes in the securities markets. Except as required by law, the Company does not undertake any obligation to update any forward-looking statements to reflect changes in belief, expectations or events.