

Home-grown bank in 'expansion mode'

by Daniel Burnette
staff writer

In operation since late December of last year, West Valley National Bank already has expanded its operations and is looking to do more.

The Avondale-based bank opened a loan production office in Goodyear in August. It is looking to add a second loan office in Scottsdale by late September. The bank plans to open a full-service bank branch in Buckeye by November and is considering branches for Peoria and Surprise sometime in 2008.

"We are definitely in an expansion mode," President and Chief Executive Officer Candace Hunter Wiest said.

"The way I sort of see things with the bank is, with all the hubbub on the Wall Street banks, we're in a great position," Wiest said. "We've got a lot of capital, we're Arizonans, we don't have any institutional money, so we can make good decisions for Arizona. We don't have to worry what Wall Street thinks. This is our yard, this is where we're gonna play a long time, and so it doesn't matter for us what the market does; we're still loaning money."

The bank concentrates on serving professionals, commercial real estate and local small businesses, including nonprofit organizations.

"We see the nonprofits as really being underserved in this community," Wiest said.

The bank originally hadn't considered a Scottsdale location, but found that much of the development on the Southwest Valley is driven by companies based in Scottsdale and Phoenix.

"We didn't plan to put a loan production office there, but we attracted some good people who wanted to be part of this organization," Wiest said. The Scottsdale office will be a way to "tap into that market of people who are developing things out here."

That experience and other similar situations has led Wiest to discover that marketing is driven as much by the quality of the people the bank finds to employ as it does the market itself.

"Our strategy is, if we find good people, we build a market around them," Wiest said. "So we've been pretty lucky to attract a lot of people who see the value of this bank and share the vision of this bank."

"Gregg Ryan, formerly with Town Bank, is our new executive vice president," Wiest said. "We also have brought on

a guy named Skip Bright, who is a former bank president, actually. We're interviewing two more people this week."

Among the other relatively recent hires:

- Marcus Colbert as branch manager in Buckeye
- Vice President Frederick Lake II, previously a vice president with M&I Bank
- Catherine Keedy, community development officer, who will work with nonprofits
- Vice President Dan Dickhart at the Goodyear loan production office
- Vice President Laurie Kyro, responsible for branch development, marketing and shareholder relations

"It's easy to confuse a community bank with a branch of a bigger bank," Wiest said. "The new bank starting in Goodyear and Arrowhead Community Bank [based in Glendale] are not in the same league we are. We've got local shareholders, we've got local management. The president of the new bank in Goodyear lives in Scottsdale and 50 percent of their stock is held by Capital Bancorp out of Michigan. Are they gonna make the decisions that we would make? I don't know about that."

"Some of the larger, outside banks are seeing this as a way into the Arizona market, which is pretty frightening for Arizonans, I would think, in terms of economic development, to have somewhere between 65 percent and 85 percent of your deposits controlled by out-of-state companies," Wiest said. "In a market like this, you get a sense of who the local players are and who's going to hang in here and who's gonna say, 'Gee, it's getting rough in Arizona, we're gonna go home now.'"

West Valley National Bank is owned by a holding company, which means that the parent company also could get into other areas of business beyond banking, such as financial services.

"We're taking a look to see if there are any opportunities out there," Wiest said.

"We would like to make an acquisition," Wiest said. "We're raising an additional \$10 to \$15 million in capital. Beginning in October, we're going to file for regulator approval, because we think some people got into this market who won't want to stay here. We want the cash to be able to make an acquisition pretty quickly."

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