

# Business

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PROMOTION? GRAND OPENING? EXPANSION? E-MAIL NEWS@LTVIEW.COM

## Bank on it

### Independent Bank finalizing acquisition of Lakeway headquarters

Independent Bank of Austin, SSB, which began operating in June in Lakeway, reported \$53 million in total assets, \$45 million in loans and 12 employees at the close of business Dec. 31, 2005.

The bank, which began with \$7.5 million in capitalization, "has also gotten a fast start in 2006, thanks to a vibrant Central Texas economy and high demand for construction lending," president and CEO Denny Buchanan said.

"Not only is Independent Bank profitable and paying taxes, but in our first 30 days, start-up expenses were only about one-half percent of total capital, compared to the typical 10 percent in new bank opening costs," Buchanan disclosed. "In our case, it could have been as much as \$750,000, but we were determined to keep our operations lean, keen and making green."

"Service has been critical to our amazing market acceptance. We made online banking capabilities available to our customers on Sept. 30," he noted. "That 24/7 service has been readily received. We are now studying the technology and potential benefits of Online Cash Management for our business account holders," he added.

"We remain committed to delivering more new services, our trademark rapid lending response and enviable returns on deposits for our customers. It's why we call ourselves 'The People's Bank,'" Buchanan emphasized.

"To attract deposits that will fund our growing

loan portfolio — commercial development, residential construction and mortgages — we offer a highly competitive Platinum Accounts paying a 3.75 to 3.85 percent (APY) interest rate. These accounts, available to individuals and corporations, require deposits of \$50,000 or more, with unlimited check writing for individuals," he explained.

"Our original objective was to generate \$100 million in assets for Independent Bank within five to 10 years," he recalled. Our current, educated estimate is that Independent Bank will be at \$80 million within two years and at \$120 million within four years."

#### Three Staff Promotions

Julie Buchanan has been elevated from Vice President-Operations/Cashier to Senior Vice President-Operations. Kristy Fariss was promoted from VP. to SVP-Loan Operations, and Beth Gridley was named VP-Operations. The bank plans to hire another four or five employees this year.

The three women, all former employees of Village Bank and Trust of Lakeway, formerly Prosperity Bank, have six, 15 and 25 years of banking experience, respectively. Buchanan has a finance degree from Texas A&M University. Fariss previously worked at Compass Bank and Hill Country Bank. Gridley holds an economics

degree from Stanford University.

#### 2006 Outlook Bright

Independent Bank management also reported plans to finalize acquisition this quarter for a permanent headquarters location in the Lakeway area. "We expect to begin construction by summer on a 3,500-square-foot facility near the Lakeway-Bee Cave area of busy Ranch Road 620, and to relocate our operations there in early 2007," Buchanan stated.

"The resurgence of the high-tech industry in the Austin area has created a ripple effect in new job creation touching many other industries," he observed. In combination with the decrease in available residential properties — from Austin's core to well beyond its suburbs — it's safe to say that home and apartment construction will rise along with additional service businesses.

"Those prevailing factors compel Independent Bank to continue to be a deposit and loan-driven institution if it is to meet the needs of its customers and the commercial markets simultaneously,"

Buchanan said. "We anticipate Central Texans seeing a lot more 'financing by...' signs with our name on them!"

Independent Bank is approved by the Texas Department of Savings and Mortgage Lending and the Federal Deposit Insurance Corp. (FDIC). Its deposits are insured by the FDIC.