

# EXCLUSIVE: New community bank gets nod to raise \$16M to open

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From the Phoenix Business Journal:

<https://www.bizjournals.com/phoenix/news/2018/05/08/exclusive-new-community-bank-gets-nod-to-raise-16m.html>

It's been 10 years in the making, but Scottsdale Community Bank is on its way to becoming a reality.

The de novo bank has received approval from the Arizona Department of Financial Institutions to be "in organization." That means the board can raise capital by selling shares as it moves toward approval to file a charter application with both federal and state authorities.



SCOTTSDALE COMMUNITY BANK

Scottsdale Community Bank is in organization.

Plans call for raising a minimum of \$16 million, said George Weisz, chairman of the board and president of Scottsdale-based Weisz Ventures.

"We hope to be the first community bank opening in 10 years and we hope to do that by the end of the year, subject to federal and state approval," Weisz said.

It would be the first new community bank to open since the recession disabled the economy.

Paul Hickman, president and CEO of the Arizona Bankers Association, said a new community bank is a good indicator of a healthy economy.

"If you look at de novo activity prior to 2008, there were 250 a year nationwide," he said. "We went from 2009 to about 2015 or 2016 with none in the whole country — in all of America. There have been less than 15 since."

Now that Arizona leaders are working to diversify the economy, the future is starting to look brighter in the state, Hickman said.

"We've got a community bank sector that's re-germinating now," Hickman said. "Not a lot of states have that."

Arizona currently has 13 community banks with a total of \$2.8 billion in deposits, representing 2.04 percent of \$124.7 billion in total bank deposits in the state, as of June 30, 2017.

That's down from 57 community banks in 2009, said Greg Faris, owner of Mesa-based Director's Services LLC and a consultant to Scottsdale Community Bank.

Weisz said it took all of 10 years, waiting for the right time to get to this point, given the economic situation and onerous regulations.

"We learned from the experiences others had had and waited for the right economic times," he said. "We believe the time is really right now."

He said there's been a handful of community banks opening over the past year throughout the U.S. when there hadn't been a new community bank open for nearly 10 years.

Once approved, the community bank will focus on small businesses, offering personal and business relationships that many of the large banks are missing, said Craig Reinmuth, treasurer of the board of Scottsdale Community Bank and president of Expert Insights PC.

Like Reinmuth, many of the bank's founders own small businesses who have seen the need for more personal business relationships in banking. The bank also will focus on family and personal banking as well as providing a place for nonprofits to place their deposits.

Many of the board members are personally involved in the nonprofit world, serving on boards or working directly for the groups they represent.

Ernie Garfield, who will turn 86 in July, also is serving as a consultant to the board.

He has started or helped start 31 banks across the country, with 18 in Arizona.

"This is No. 19," he said. "I haven't got anything else to do."

**Go to next page to see the founders and consultants of the new bank.**

**Angela Gonzales**  
Senior Reporter  
*Phoenix Business Journal*



## Founders



George Weisz



Bruce Barnhill



Hemant Patel



Craig Reinmuth



Shelley Thompson



Leslie Dashew



Russ Jones



Robert Blendu



Ashesh Sanghvi



Ernest Garfield



Greg Faris

## Consultants