

Gate City's Community Bank aims for \$11 million

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By Ariel Acosta

The rapid economic expansion of its Greensboro, N.C., base will help fuel the growth of startup Gate City's Community Bank, proposed CEO Tom Smith told SNL Financial on May 30.

The de novo has a startup capital target of \$11 million, and began its capitalization process March 1, with the majority of capital raised thus far coming from local investors. "The folks in the community have been very responsive," Smith said.

Gate City's Community Bank is planning on taking advantage of the transforming economy of Greensboro, a city of roughly 237,000. Fed-Ex is building its mid-Atlantic hub in the city, while Proctor & Gamble, Honda Aircraft, and the computer manufacturer Lenovo are expanding their presence in the area.

"People will be moving here and looking for a bank to get a mortgage loan, as well as equity lines, and so forth. On top of that, there are a lot of small businesses that will be starting here to support

some of these other [large businesses] that are coming in," Smith said.

Gate City's Community Bank will be a "broad-based community bank," offering the standard array of products, including traditional mortgages, home equity lines of credit, and small-business loans. "We'll be a sit-down-and-talk-to-you, counseling-type bank," Smith said.

Gate City's Community Bank is applying for a state charter and will primarily serve in the city of Greensboro and Guilford County. The bank will open with one office in Greensboro and is not planning on adding another Greensboro branch office for two or three years.

Smith most recently served as vice president and commercial relationship manager at Capital Bank's Greensboro and Burlington, N.C., offices. He also helped organize Greensboro-based Carolina Bank, and later served as senior vice president and retail banking manager.

A fourth-quarter opening is planned. *i*