

## First Business Bank Names CEO

By MIKE ALLEN - 2/25/2008

Two years after receiving a regulatory order, First Business Bank has gone through lots of changes, including a name change — and now a change in executives at the top.

First Business Bank, formerly Ramona National Bank, has named Nathan Rogge its new president and chief executive effective Feb. 27.

Rogge, 38, replaces John McGrath, who will remain on the board.

McGrath was hired in 2006 after Ramona National was issued a consent order from the U.S. Office of the Comptroller of the Currency. The order covered a number of issues, but centered on the bank's management and improving its operations, says Rogge.

Responding to the corrective order, the bank's board replaced its management team, including the chief executive officer, infused its capital base with \$18 million in cash, and revamped its lending strategy.

It also moved to Carmel Valley, where the board felt it could capture greater market share in future years.

"Ramona is a great community, but it's pretty hard to expand when you have that name," Rogge said. "For the clients who we are going after, who are in the medical field, in legal and other professions, one of the highest concentrations in the county is in the Del Mar Heights community."

FBB also maintains offices in Ramona and La Mesa.

The bank's total assets are about \$76 million, while its loan portfolio is nearly \$50 million.



## Hefty Infusion

Due to the hefty capital infusion last year, the bank's maximum lending limit was raised to \$3.5 million from \$900,000.

Nearly all of the new capital came from the bank's primary shareholder, the Auerbach Trust, a family trust controlled by Ernie Auerbach, a commercial developer who lives in Ramona. The trust owns more than 90 percent of the bank's stock.

John Farkash, Auerbach's son-in-law and president of Farkash Construction, remains chairman of the bank's board of directors.

FBB appears poised for a nice rebound after two years of losses. In 2005, it had a net loss of \$524,000; in 2006, the net loss was \$1.6 million; and last year the loss was \$258,000.

However, when subtracting nonrecurring expenses related to new personnel and relocating the main office, the institution showed a small operating profit, Rogge says.

Rogge has 16 years' experience in banking, having started with Wells Fargo Bank as a teller while in college.

After six years at Wells, he moved to First National Bank, where he ran the small-business banking group before the San Diego-based bank was acquired by First Community Bancorp (and renamed it Pacific Western Bank).

From First National, Rogge joined First Republic Bank, a San Francisco-based lender, as a senior vice president in the business banking group.