

Spring Bank to move into larger space

By Paul Gores of the Journal Sentinel
Jan. 7, 2013



David Schuelke

When David Schuelke opened Spring Bank in Brookfield during the economic downturn four years ago, he had something most existing banks didn't have: a clean-slate loan portfolio

As a brand new business bank ready to lend while many other financial institutions were internally focused on souring loans and concerns about capital, Spring Bank began a period of steady growth.

On Monday, the bank announced that growth has made it too big for its current offices. Spring Bank said it plans to move into 7,500 square feet of space at 16620 W. Blue Mound Road, only yards away from its current 4,500-square-foot office. The bank signed a 10-year lease for its new quarters

"We're frankly just running out of room," said Schuelke, who is the bank's chief executive.

Since 2008, the staff has increased to 18 from 10, and Spring Bank's assets now total about \$160 million. In 2011, it posted net income of almost \$1.2 million. The 2012 preliminary net profit figure is about \$1.7 million, Schuelke said.

"They've done a good job. I take my hat off to them," banking consultant David L. Donihue said.

Spring Bank raised about \$12.5 million in start-up capital before opening four years ago, then raised another \$3.8 million in 2012, topping its target of \$3.5 million.

Schuelke said the bank's emphasis has been on careful growth within its niche, which includes lending to privately held companies such as manufacturers and wholesalers, typically those with annual sales of \$15 million or less. The bank also does "a fair amount of commercial real estate" lending, he said.

Spring Bank's markets generally include Waukesha, Milwaukee, Ozaukee and Washington counties, Schuelke said.

Donihue, who is managing director of Maximizing Shareholder Value & Co. in Leesburg, Fla., said the fact that plans for Spring Bank were under way before the financial crisis occurred put it "in the right place at the right time." He noted that the bank's ability to raise more capital since then shows that its investors believe Spring Bank is on the right path.

The bank's new office will give it visibility from the busy Blue Mound Road corridor near Brookfield Square shopping center, Schuelke said.

"We were looking, and it turned out to be a very good location for us that opened up," Schuelke said.

Spring Bank is leasing the new office space from Cornicione Development LLC.