



Bank set to move into new building



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TRAVERSE CITY (Dec. 8) — The Bank of Northern Michigan has new, \$4 million digs downtown and will look for some company.

The bank moves into the three-story, 15,000-square foot office building at the corner of Union and State streets, Executive Vice President John Paul said.

The bank will occupy the bottom two floors of the traditional brick building, and is looking for a tenant for the 5,000-square feet on the third floor.

A grand opening will be held Jan. 22-23.

The bank opened a temporary storefront on Union Street in July 2006, before work on the new building began that August at the site of a former automobile repair shop. Paul said the bank has a 30-year lease for the building with project developer Mark Dancer, a local attorney who built the Mid-Block office building next door. Integrys, a local energy trading company, moved in to the top floor of the Mid-Block building this fall, and Dancer is seeking tenants for the first floor and lower level, both 3,700-square foot spaces.

Paul said with the building and staff relocation complete, the bank will "aggressively" market the upstairs space in January. It's looking for a tenant for a three- to five-year period, but eventually plans to take over the rest of the space.

The Bank of Northern Michigan is among several new banks to break into the Traverse City market, which now numbers 13, according to data from the Federal Deposit Insurance Corp. It was founded seven years ago and is headquartered in Petoskey, and reported assets totaling nearly \$260 million in its most recent filings with the FDIC.

Officials said they're pleased with the bank's reception in the community. It reported deposits of nearly \$16 million at the Traverse City office as of June 30, and offers a full range of commercial, real estate and personal banking services.

"It's exceeded a number of the key goals that we've set," Paul said.

Both buildings are part of a surge in office development downtown over the past decade, but city officials are comfortable with current occupancy rates. The city Downtown Development Authority's recent market study reported close to 56,000-square feet of available office space downtown, not including the bank property, although that's less than 10 percent of the total office space inventory downtown, deputy DDA Director Rob Bacigalupi said.

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