

From a One Branch \$65 Million Bank in South Florida in 2007 to Four Branches In 2013 with about \$275 Million in Assets, Floridian Community Bank has Shown the ability to grow even during an Economic Downturn

Financial Community Bank

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Joseph Marzouca
CEO

BIO:

Since March 2008, Mr. Marzouca has served as the Chief Executive Officer of both Floridian Community Holdings, Inc. and Floridian Community Bank. He is also currently a director of Floridian Custody Services, Inc. Mr. Marzouca's most recent banking experience prior to joining Floridian includes serving as the Executive Vice President, South Florida Operations at Peninsula Bank from 1997 to 2002. Prior to that, he was employed by J.I. Kislak Mortgage Corporation from 1983 to 1985, and then Kislak

National Bank from 1985 to 1997, where he served in various capacities, including President and Chief Operating Officer from 1994 to 1997. Mr. Marzouca received a Bachelor degree in Economics-Cum Laude from Boston College in 1981 and completed the University of Pennsylvania Wharton School of Senior Banking Officers Program in 1990. He currently serves on the Government Relations Council and Bank Pac of the Florida Bankers Association.

About Floridian Community Bank:

Floridian Community Bank is a state-chartered bank opened in March of 2003 by a group of respected leaders in the community. The founders have promised clients that a real person with a live voice would always answer their calls to the bank. Clients will never get a recorded message when calling the bank. The founders believe clients and customers deserve personal attention delivered by one of our banking professionals. Many of the founders are members of the bank's board of directors. The board of directors is determined and committed to stay true to their vision of a true community bank, even in the most trying economic times.

Interview conducted by: Lynn Fosse, Senior Editor CEOCFO Magazine

CEOCFO: Mr. Marzouca, what was the concept when Floridian Community Bank was started?

Mr. Marzouca: The concept was to provide a community banking environment that catered to individuals, businesses, and professionals in the

Broward market which is where the first branch opened.

CEOCFO: How was that developed over time? Would you describe your bank today?

Mr. Marzouca: The bank, today, is more diverse in terms of geography. Initially, it was a one branch \$65 million bank positioned in the southwest Broward market and it really stayed a one branch bank for approximately five years. When I joined the board in early 2007 and then in 2008 assumed the CEO position, it was apparent that with the market turmoil it appeared there was an opportunity to expand albeit with limited access to capital. Therefore, we went about that expansion process beginning with a branch in Juno Beach, which encompasses Palm Beach Gardens and Jupiter. We then moved further south to the Delray Beach area and were able to sub-let a branch from Wells Fargo (at the time it was Wachovia). Following that, in the summer of 2009 we opened another branch in Wellington that was also a former Wachovia branch. Today, we are a four branch bank with approximately \$275 million in assets.

CEOCFO: On your website you mention personal service, neighborhood style. Would you explain what is different at Floridian Community Bank?

Mr. Marzouca: We would like our customers to always experience a warm welcoming environment. Our staff knows the customers by name. We make transaction activity a very comfortable process, such that the client may wish to relax in our living room and watch TV whilst the cus-

tomers service rep attend to their teller transaction. The goal is to make it as comfortable and convenient for our clients when they enter any of our branches.

CEO CFO: Could you tell us a little bit about your local competition?

Mr. Marzouca: There are community banks that have a similar business model, and it works. I think there is enough room for other community banks to serve their respective communities well. We do, somewhat, think outside the box. We do not stick to "cookie cutter" products. We are careful about listening to our clients' and try to tailor products and services around their needs. The management team has a slightly different philosophy in being more understanding to the requirements of our customers.

CEO CFO: How do you break down between business and consumer? Would you like to see that mix change?

Mr. Marzouca: I think the mix that we have today is working. We still do have a focus on the individual business owner and professionals such as CPAs, attorneys, doctors, and so on. However, at the same time we do cater to individual clients who may be retired, or are still involved in some type of business activities. All in all, we do not really look to separate or define what percentage of business we would like to stay in or out of as our goal is to deliver be-spoke service to our clients.

CEO CFO: How do you reach your potential customers?

Mr. Marzouca: Our best source of marketing is not from advertising in the newspapers. It is customers who advocate the bank on our behalf. Their testimonials become our best form of marketing.

CEO CFO: What are the intangibles that you look for in your people so that the customer centric focus is really there?

Mr. Marzouca: Entrepreneurial mind set; someone that is good at listening and not trying to fit customers' needs into our products or services, but un-

derstanding what they are seeking and then finding solutions along those lines.

CEO CFO: Are there products or services that you would like to offer that you are not offering today?

Mr. Marzouca: We are analyzing the risks/rewards with mobile phone banking and social media. We expect that with changes in demographics, mobile banking will gain greater traction. We currently offer remote deposit capture and internet banking similar to the larger institutions.

CEO CFO: Florida has a great deal of community involvement. How do you decide where to focus your efforts?

Mr. Marzouca: It is really through understanding the communities we serve and what is important to those communities. For instance, the Wellington branch location caters to an equestrian community. Therefore, we

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design our focus and energy towards events that meet those needs including charitable causes. We utilize that same model for each community where our branches are located. Incidentally, we were just notified by the Wellington Chamber of Commerce that Floridian Community Bank is the recipient of the Emerging Business of the Year Award in connection with our team's leadership, integrity, and stewardship service to the Chamber and Wellington community.

CEO CFO: Do you see additional branches on the horizon, or the need for them?

Mr. Marzouca: We do, in a selective way. I think that branch banking will be different going forward. We do look for smaller branch sizes with minimal staffing, but smart staffing; such that each individual is cross trained and is capable of offering an even higher level of service than what is expected.

CEO CFO: In the "hey day" of the crisis how did you reassure your customers?

Mr. Marzouca: It was mostly from our actions, more than words. Certainly, we were impacted, but not as severely as most other banks. I think the conservative lending approach kept us from feeling the full impact that had decimated many of the financial institutions. However, we were able to lend so when you make that available to customers in the most difficult of times it also illustrates that you are on better footing.

CEO CFO: How is business these days?

Mr. Marzouca: Business is good. The big challenge today that we did not have as much of in 2008 through 2011 is heightened competition with loan pricing. We have seen some margin compression, but we are still able to attract more lending business through networking and efficient decision making. We are seeing South Florida slowly but surely heal in the real estate market, which is predominantly the area of lending that most banks in this region lend against. Therefore, we should con-

tinue to see balance sheet growth; not at the same pace as the last four years, but we should still be able to help in rebuilding South Florida.

CEO CFO: Would you tell us about your Bauer rating?

Mr. Marzouca: We just received a four star Bauer rating. We have been profitable for the past three years. We are proud of it and our goal is to be recognized as a five star institution. We are moving in that direction.

CEO CFO: Why should investors and people in the investment community pay attention to Floridian Community Bank?

Mr. Marzouca: We are consistent and weathered through the storm better than most in South Florida. We have been able to gain market share, particularly in the most difficult of times. Customers have learned to be weary of their relationships with their existing banks. We have heard many

stories from new customers now part of the Floridian family, who relied on their prior banking relationships and learned that it was subject to the

times. We have just remained consistent and good at listening to our customers' needs. We understand their business and they look to us in good

times and bad, which is what real relationships are about.



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