

**Proposal to Evaluate and Recommend Potential Locations for a New Branch of Timberline
Bank & Trust**

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Summary

Our team was asked to research and report on three proposed sites for a new branch bank. We have gathered statistics and information on population, businesses, expansion, and traffic in each of the proposed areas. Our evaluation indicates that the proposed sites should be ranked as follows:

- First Choice: Sandy Hills Shopping Mall
- Second Choice: Tatesville
- Third Choice: Mountain Village Shopping Center

We have based this proposal on our extensive research into the proposed areas, and will detail our reasoning later in this document. This proposal will also include our team's recommendations on how best to approach securing business in the area, as informed by our team's collective banking, marketing, and administrative experience.

Introduction

In order to remain competitive in the Cannon County area, Timberline Bank and Trust has decided to build a 7th branch in the county. Our team was asked to narrow down potential locations and rank our final options. We initially narrowed our choices down to the Sandy Hills Shopping Mall, Tatesville, and Mountain Village Shopping Center locations. In this document, we will explain the reasoning behind our rankings of these locations. Additionally, we will provide brief recommendations on how to approach optimizing business in each area based on the demographic information we have gathered. Our team spent two weeks gathering research from census data, infrastructure permits, and in person interviews, all of which provide the basis for our decisions.

Proposal

Based on our extensive research, we have ranked the potential locations as follows:

- First Choice: Sandy Hills Shopping Mall
- Second Choice: Tatesville
- Third Choice: Mountain Village Shopping Center

Below, we expand on our decisions

Sandy Hills Shopping Mall

Sandy Hills Shopping Mall is our first choice primarily because of the rapid expansion in the area. According to census data, Sandy Hills has experienced 85% growth in the last 10 years, and currently the city has committed the heaviest sum in its history to permits for further expansion. Currently, Sandy Hills only has one bank in the immediate area. While this bank is trusted within the community, the city's continuous expansion indicates that new customers are constantly moving into the area, therefore there are plenty of opportunities to gain new customers in opposition to Parker Bank and Trust as the population grows too big for them to service alone.

Sandy Hills is also an area that fits with the Timberline Bank and Trust brand. The community is generally speaking middle-income and the area is well-kept. The community framework that already exists in Sandy Hills is an excellent fit for Timberline to move into.

Tatesville

Tatesville is our second choice for a new branch location. Tatesville is an area that has experienced 30% growth in the past 10 years, with a moderate amount of room for further expansion and a steady flow of new housing being built. Tatesville also boasts 180 thriving businesses, located primarily on the same street as the proposed build site for the new branch. We are confident that Timberline Bank and Trust can quickly gain a foothold in the area, as the singular bank in the vicinity, River Bottom Bank and Trust, is not well liked in the community. The majority of people we interviewed in our on-site inspection of the area agreed that a friendlier bank would be welcomed in the area.

While the Tatesville area is less community oriented than other locations we are considering, we believe that a friendly, professional bank in the area will earn the trust and business of local residents. The proposed location is well situated among major businesses and adjacent to business centers in the area, and we believe that businesses will be drawn to this location by convenience and residents will be drawn to the branch due to its favorability.

Mountain Village Shopping Center

Mountain Village Shopping Center is our third choice for a new branch location. Mountain Village Shopping Center is located within a busy area of Pinedale, adjacent to centers of business and the local university. The area has experienced 14.1% growth in the last 10 years, and while the immediate area has little room for further expansion nearby locations show evidence of growing residential populations. Our major concern for this location is that there is an existing extremely successful bank in the immediate vicinity. While we suspect that a new branch in this area could relieve pressure from the Central Bank location nearby, we worry based on the limited success of the also nearby branch of Security Bank that we will not be able to draw the necessary amount of business away from existing banks in the area.

The area around Mountain Village Shopping Center is largely residential and extremely well kept. Our additional concern about the area is that Timberline Bank and Trust's 6 existing branches are located nearby throughout the Pinedale area. We believe that expanding to growing communities in the Cannon County area is a more productive goal than remaining centralized to Pinedale and furthering our available services in the immediate area.

Plan

The following portion of this proposal is a brief plan for approaching growing business in each of the areas we have considered for a new branch, ordered by the rank we have established in the previous portions of the document.

Sandy Hills Shopping Mall

We believe that the best approach to garnering customers in the Sandy Hills area is to appeal to new residents moving in. The area experiences rapid growth and is primed for more in the near future, and working on gaining the business of those who are new to the area should be the primary focus in the early stages of establishing a new branch in this location. We believe that drawing new residents to our new branch will be the best way to establish a reputation in the area, which should be our primary focus because reputation is the major advantage of our primary competition in the area. We would like to put a special focus on offering competitive home loans in order to accomplish drawing business from incoming residents. We also recommend focusing

on hiring people from the local community to work at the bank, as we believe that this would provide an especially solid link to the established community, who we hope to draw business from as time goes on.

Tatesville

The strategy we have devised to garner business in Tatesville is based in demonstrating that Timberline Bank and Trust is a friendly and professional business. Our competition in the area experiences limited success despite being the only bank because the community does not consider them to be a friendly bank, thus our strategy should be to outshine River Bottom Bank and Trust in terms of friendliness and service. Demonstrating friendly, professional service should not be especially difficult, as this aligns with the core values of Timberline Bank and Trust. We recommend transferring employees from existing branches to staff this branch initially rather than hiring primarily from the community, as current staff of Timberline are well versed in our values and quality of service and can then pass on these values to new employees in the future.

Mountain Village Shopping Center

Our strategy for earning customers at the Mountain Village Shopping Center is to demonstrate that we are a progressive bank. Our primary concern in this area is that Security Bank has already failed to redistribute business and draw customers from the consistently overwhelmed Central Bank branch in the area. This indicates that, while business can be taken from Central Bank to relieve pressure from their system and provide better convenience for customers in the area, we must take a specific and careful approach to doing so. We believe that a progressive, community based approach will accomplish this. We would recommend sponsoring community events in the early months of the branch, demonstrating our generosity as a local bank and our commitment to our new community. We recommend initially staffing this location with experienced bankers and tellers to ensure smooth, fast service, as these are vital to demonstrating that we are a convenient alternative to Central Bank.

Qualifications

Our team consists of Warren Smith, Jolene Kujo, and myself, Laurel Lindquist. Warren Smith is a trusted employee of Timberline Bank and Trust, and has 7 years of banking experience on top of his MBA. Jolene Kujo is Mr. Smith's administrative assistant, and has practical experience in organizing and managing teams. I am a recent graduate with a degree in management with special emphasis in marketing research, and developed skills throughout my education which I used in this exercise to perform detailed research into the proposed locations and evaluate their viability.

Conclusion

Our detailed evaluation indicates that Sandy Hills Shopping Mall is the ideal location for a new Timberline Bank and Trust location, followed by Tatesville and Mountain Village Shopping Center in that order. We believe that Sandy Hills has the most potential for successful expansion of our business, and that the strategy we have recommended for successfully earning business in Sandy Hills is the most manageable and affordable of the three strategies we recommended in the "Plan" portion of this proposal.