

Native American Bank sets up shop in Denver's Baker neighborhood

Bank wants to provide more consumer loans, not just commercial ones



By **ALDO SVALDI** | asvaldi@denverpost.com | The Denver Post

After overcoming numerous obstacles, and getting knocked to the ground earlier this decade, Native American Bank is solidly on its feet again and moving in a new direction.

“It’s all about perseverance, about the will to succeed,” said chairman Kent Paul, at an opening ceremony for the bank’s new location at 201 N. Broadway on Thursday.

The Denver-based bank has left behind a 24th-floor office in a downtown highrise it leased for a building it owns on Broadway, a location that is street-level and more accessible.

It will join a long-running retail branch the bank operates in Browning, Mont., serving members of the Blackfeet Nation, providing lessons on how to compete in consumer banking.

Most of the bank's business has focused on commercial borrowers, but NAB, with the help of technology, wants to serve more individuals, said NAB president and CEO Thomas Ogaard.

"There are a lot of needs out there," he said.

Early backers of the bank, who included activist Elouise Cobell, had to overcome the failure of the American Indian Bank in the 1970s, which left a bitter taste regarding cross-tribal efforts.

Thirteen tribes and groups came together in 2001, contributing \$1 million in capital each, said Cristina Danforth, a board member who led the dedication of a new conference room named in Cobell's honor.

As it grew, the bank also had to deal with a deep mistrust of outside financial institutions, the desperate need for financing and the entrenched poverty found on many reservations.

"There are deals we have done that nobody else will do," said Ogaard. Specifically, the bank is an expert in lending on trust lands, which are held by the federal government but used by tribal members.

Despite the challenges, the bank found a way to reach \$107.2 million in assets in 2008. In hindsight, it grew too fast, something the financial downturn and recession exposed in a lot of young banks.

By the spring of 2014, assets fell to a low of \$56.4 million and regulators slapped an order requiring the bank to clean up its balance sheet and raise more capital.

Tribes from Alaska stepped up and invested money, preserving the bank's native ownership and keeping it from joining the long list of failures.

"We felt the bank's mission aligned with ours," said Rod Worl, CEO of the Eyak Corp., and a member of the bank's board.

The bank's board also brought in new management. Under the direction of Ogaard, assets have rebounded to \$130 million.

After years of funding commercial ventures such as convenience stores and hotels, the bank wants to provide more mortgages, car loans and personal loans to individuals.

When someone, regardless of their background, holds their money with the bank, it will support the issuance of loans in Native American communities across the country, Paul said.

"We need more deposits," he said.

Colorado banks, on average, have loans equivalent to 75% of deposits. But NAB lends at a ratio of 90% to 95% of deposits.

And by 2021, NAB will set a record for longevity among Colorado banks started to serve a minority community. There was Women's Bank, founded in Denver in 1978. Just shy of its 20th year, it became the gender-neutral Colorado Business Bank.

[Premier Bank](#), which focused on the Asian American community, started a few years before NAB in 1996. Early on, it enjoyed explosive growth, even ranking as a top SBA lender in the state.

But by 2015, also shy of its 20th year, regulators stepped in and forced a sale of the struggling bank, which had become severely depleted.

Solera National Bank launched in 2006 with the stated purpose of serving Latino customers in the region, but a [minimal share of its loans went to that community](#).

The bank continues to operate, but it has scrubbed all references regarding its initial mission to serve the Hispanic community for a more generic focus.