

# Bank to expand, add 300 jobs

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U.S. Bank Home Mortgage announced plans Friday to add 300 jobs to its Owensboro operations and build a 50,000-square-foot single-story office building in Highland Pointe.

The news comes one day after the state announced that Daviess County's unemployment rate hit a 17-year-high of 8.6 percent in January.

The jobs, to be added over a period of months, will bring the company's total employment in Owensboro to more than 1,100 people -- and make U.S. Bank Home Mortgage the county's largest private employer.

Owensboro Medical Health System, the county's largest employer, has roughly 3,000 workers.

U.S. Bank currently employs more than 850 people in Owensboro and about 100 temporary staff at both its home mortgage operations and banking centers.

Nick Brake, president of the Greater Owensboro Economic Development Corp., said Owensboro won the jobs over several other communities that were vying for them.

"We've been working on this for more than a year," Brake said. "And we're thankful they chose Owensboro."

He said the bank "had other locations they were serious about, but they chose Owensboro because we're a business-friendly community with a strong work force."

The new office building will be on the Kentucky 54 side of the 26,000-square-foot Atmos Energy headquarters that opened last year in Highland Pointe.

It's one of three major construction projects planned this summer for the center at Kentucky 54 and the U.S. 60/U.S. 231 bypass.

Drew Augenstein, chief operating officer for Gulfstream Enterprises, which is developing Highland Pointe, said ground has already been broken for the office building and construction should be completed by Aug. 1.

Matt Hayden, Gulfstream's president, said \$25 million worth of construction is planned in Highland Pointe this summer.

Gulfstream will move its headquarters from Fairview Drive to a four-story, 110,000-square-foot office building planned for the opposite side of Atmos Energy. Several other tenants have been lined up for that project.

And a four-story, 100-room Courtyard by Marriott is planned for a lot along the bypass near Cheddar's Casual Cafe.

U.S. Bank Home Mortgage services more than 1 million residential loans nationwide from its service center at Frederica Street and Southtown Boulevard.

About 225 employees will move to the new facility, while 500 will remain at the company's 70,000-square-foot Frederica Street campus and 150 will stay at its 208,000-square-foot Moreland Street facility.

"We will continue to add quality loans to our solid mortgage portfolio," Dan Arrigoni, president of U.S. Bank Home Mortgage, said in a news release. "This is a great time to reinvest in our infrastructure so that we can keep on providing top-notch service for our existing customers while building for our future mortgage growth."

Bob Smiley, U.S. Bank executive vice president and loan servicing manager at U.S. Bank Home Mortgage, said the company reached a milestone in 2007 by surpassing \$100 billion in servicing volume.

Today, that volume has topped \$144 billion and continues to grow, Smiley said.

U.S. Bank Home Mortgage ranks ninth among mortgage companies nationally in terms of its servicing portfolio and was in the top five in mortgage originations as of the fourth quarter of 2008.

"We are excited about expanding our national mortgage center here," Dan Prather, senior vice president at U.S. Bank Home Mortgage, said in a news release.

"It says a lot about the quality of the work force, the strong work ethic and the importance of the Owensboro market for U.S. Bank going forward," he said. "Owensboro is a key business center within our company and we look forward to our continued growth."

Prather said in an interview that the national mortgage processing center, which has 225 employees, will move to the new building when it opens. Another 100 people will be hired for that office, he said.

The mortgage servicing, quality control and correspondent lending group will remain at the Frederica Street location and 200 more people will be hired there, Prather said.

"We've made decent decisions over the past few years," he said. "We were never in the subprime loan market -- and we are continuing to grow. Over the next five years, we will need additional space."

He said U.S. Bank Home Mortgage has already hired 120 temporary workers "largely because of the mortgage stimulus package."

"Our bank, both locally and nationally, is healthy and is benefiting from the 'flight to quality' that is currently happening in our industry," Fred May, U.S. Bank's community president in charge of Owensboro branch banking, said in a news release. "In our branches, we are seeing an uptick in deposits, increased commercial loan growth and a renewed interest in both mortgage refinancing and retail loans."

U.S. Bank has seven full-service banking offices in Owensboro.

U.S. Bancorp, which includes both the banking and mortgage operations, has \$266 billion in assets nationally.

Last fall, the company accepted \$6.6 billion in federal bailout funds. But this month, U.S. Bancorp said it plans to repay the money as soon as possible.

The new office developments in Highland Pointe have displaced a planned apartment complex.

Last year, Watermark Residential, an Indiana developer, announced plans for 120 two-bedroom, 48 one-bedroom and 48 three-bedroom apartments on 14 acres in Highland Pointe.

But Hayden said that property is where he now plans to build Gulfstream's office building.

"We're trying to find other property on this side of town for the apartments, not in Highland Pointe," he said.

With three office buildings and a hotel, Hayden said, he expects more retail stores and restaurants to locate in the development.

"All the people in the office buildings and hotel will drive demand for restaurants and retail," he said. "We're excited. It's a tough environment today. But Owensboro is spending huge dollars on projects and it's being noticed."

Highland Pointe still has four or five outlots left along the bypass and 15 acres in the center that can handle 100,000 square feet of retail, Hayden said.

U.S. Bank Home Mortgage traces its Owensboro roots back to 1976, when Lincoln Service Mortgage Corp. began here with four employees and \$25 million in assets.

The local operations have gone through a series of mergers and name changes -- Firststar and Great Financial among them -- through the years before becoming part of U.S. Bank Home Mortgage.

The company moved into the old Coca-Cola bottling offices at 4801 Frederica St. in 1994. Eight years later, it spent \$6 million turning an old garage east of the main building into a modern office building.

In 2003, U.S. Bank Home Mortgage paid \$1.9 million for the old Whitehall Furniture factory at 800 Moreland St. and turned the 208,000-square-foot building into its national records center.

"This is the first time we've had a new building," Prather said. "We're looking forward to it."

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