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How John Ortega brought his bank to life

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I got to sit down with John Ortega, president and CEO of Houston Business Bank, last week to talk about its merger with Texas City-based Texas First Bank.

While we were chatting, I realized something I had always known but couldn't articulate to myself: Banks are just institutions. People — the flesh and blood working the levers and controlling the finances, making the contacts and pursuing the business — are at least equally compelling.

As is the story of how Ortega brought his bank to life.

Ortega had worked since 2003 at JP-Morgan Chase as a middle market lender up until 2008, when he felt he could act on what he had always wanted to do.

Sitting in his office at Houston Business Bank, under a framed Houston Business Journal article about the bank's founding in 2009, Ortega told me he has always been an entrepreneur at heart.

"I got into banking to learn about business and what it took to make businesses succeed and fail, and commercial banking is the best way to do that," he said. "And then it hit me one day. I advise my clients to stick to what they know. I (realize I had) tried to buy businesses I knew nothing about. (But then) the light bulb went off, and I said, 'Hey, I know banking. Banking's a business. Why not do that?'"

Houston Business Bank was the fruit of

long and hard work on Ortega's part, and the chief of his largest startup investor in 2009, Texas First Bank, told me that it was Ortega's sheer determination that made it possible.

Chris Doyle, president and CEO of Texas First, told me he met Ortega for the first time years ago for a job interview. Ortega was considering working at the bank.

Later, Doyle saw Ortega again when the banker was trying to buy a business in Houston and was looking for a loan — but a deal never went down. When Ortega approached him about investing in a de novo bank, Doyle remembered how impressed he was with the charismatic entrepreneur.

"John had a very good track record in the banking industry both as a community banker and with some large banks as well," Doyle told me. "He's smart, young, energetic. He got to work on putting together the application and seeking approval for the de novo like nobody I've ever seen. He really went after it and wouldn't take no for an answer."

So Doyle and Ortega approached the board of directors of Texas First's holding company, Texas Independent Bancshares Inc., about the investment. They struck a deal that landed Ortega a \$5.2 million investment from Texas First, and the banker went out and raised another \$5 million on his own.

"Then, in 2008, we started the process of starting the de novo Houston Business Bank," Doyle said.

Ultimately, Ortega and his team got the \$32 million asset bank profitable last



John Ortega

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year, quite a feat for a birth in the financial crisis.

And the rest is history.