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Cornerstone Bank expanding downtown

By Dave Flessner, Business Editor

Chattanooga's biggest suburban-based bank is moving part of its headquarters downtown.

Cornerstone Bank has leased part of One Central Plaza to expand its downtown presence and house its top officers. Frank Hughes, president of the \$338 million-asset bank, said Thursday he hopes to open the new branch and corporate office by November.

"Our business at our current downtown branch (on Fountain Square) continues to grow, and this will give us more room, better parking and a drive-through window downtown," he said.

Cornerstone is leasing about 8,500 square feet previously occupied for 16 years by Union Planters Bank. Like its predecessor, the Cornerstone name will soon appear on the triangular-shaped office building located at the intersection of Georgia Avenue, Cherry Street and M.L. King Jr. Boulevard.

"It's a great location, and with our growing size we feel like it's time for us to have a bigger presence downtown," said Mr. Hughes, who will relocate his office to the building this fall along with CEO Greg Jones.

Union Planters vacated the first three floors of One Central Plaza last year after it was purchased by Regions Bank, which expanded its office in the Tallan Building.

The Jim Berry Co., which owns One Central Plaza, is building a new 54-car parking facility and a double drive-through bank window for Cornerstone next to the building. The additions will allow customers to transact banking business from their car by entering the new garage off of Cherry Street, building leasing agent Steve Hunt said.

"We're refurbishing the brick and upgrading the parking for what we think is an ideal location for Cornerstone downtown," Mr. Hunt said.

Cornerstone, founded in 1985 in Hixson, bought the former Bank of East Ridge in 1997.

With five branches in Hamilton County, Cornerstone's assets grew by more than

21 percent in the past year to \$338 million, according to the company's June 30 financial report.

Cornerstone will relocate its staff and close its smaller office on Georgia Avenue near Fountain Square once the new office is ready for occupancy, Mr. Hughes said.