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Los Angeles-based City National Bank came to Nashville for music, now they're branching out

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Los Angeles-based City National Bank came to Nashville 15 years ago to bank the city's biggest entertainment names. Now, it's looking beyond the stars for its next phase of growth.

Howard Hammond, the bank's president and CEO, wants to grow City National's private bank and wealth business in the coming years, along with its commercial business, as he sees opportunities for growth in Nashville.

HOWARD HAMMOND, PRESIDENT AND CEO, CITY NATIONAL BANK.

"There's a lot more to us than the entertainment business," Hammond said, though entertainment and sports will still remain a core business for the lender.

Since entering the market in 2011, City National has come to bank the majority of [entertainment] business managers in Nashville, according to a spokesperson, who noted from informal research that the bank provides services to around 90% of the business management community in the U.S.

The bank is used to Hollywood but according to Hammond, "Nashville has a much different vibe."

"I wouldn't call [Nashville] small anymore; it's like a big city now and everything is new and clean. Whereas I think L.A. and New York to a degree are trying to figure out, 'OK we've been the dominant players for the past 40, 50 years, now what?'"

"You guys are still in the arrows pointing up at about 45 degrees from a growth perspective," Hammond continued – and he plans to be a part of that growth.

"In both New York and California, some of the talent is leaving," he said, "and that opens up the door for Nashville to do other things."

Unlike other banks, Hammond said the $98 billion lender isn't as limited when it comes to loan size. City National, which was acquired by Royal Bank of Canada in a transaction valued at $5 billion in 2015, has the backing of its $1.7 trillion parent company if it reaches its own lending limits. He said City National can essentially draw on both balance sheets.

Nashville remains a core market for the lender, which caters more to affluent and high-net-worth clients than mass-market consumers.

"There's a lot of banks there [that] look at the demographic data and the mass consumer … and that's why you've seen it build out branches throughout the whole Southeast," Hammond said. "But that's not really what we're trying to do."

City National Bank is Nashville's 17th-largest bank, with $1.03 billion in local deposits, according to Business Journal research. The bank occupies a 13,000-square-foot office on Music Row with 25 local employees, with capacity for up to 40.

"I hope in three or four years, we're busting out of the seams there," Hammond said, "and we can find an even bigger space."