

City of Philadelphia Office of the City Treasurer



Authorized Depository Compliance Reporting: Philadelphia City Code Chapter 19-200 City Funds--Deposits, Investments, & Disbursements

Annual Request for Information Questionnaire Calendar Year 2016

D. COMMUNITY REINVESTMENT GOALS

Financial institution's annual Community Reinvestment Goals should include information on the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.

1. Provide an overview of the financial institution's annual Community Reinvestment Goals.

Wells Fargo Bank, N.A., remains committed to consistently improving the ways we serve all City residents. We bring strength and capacity to our communities through a broad array of financial initiatives, products and services. Our employees spend time, effort and resources on helping to increase the supply of affordable housing through responsible lending, providing credit for homeownership to qualified buyers, teaching financial literacy, providing credit and technical support to small business owners and mobilizing employee volunteers. Every day, Wells Fargo employees seek to improve the communities in which they live; work and play by supporting a number of key focus areas.

- In the area of **Financial Education**, our Hands on Banking® (HOB) online program address all of the basics of smart money management. The curriculum is designed for four age groups: Adults, Young Adults (ages 15-21), Teens (grades 6-8), and Kids (grades 4 and 5); small business, Seniors and the Military/Veteran community. This fun, interactive, and engaging financial education program is designed for both self-paced, individual learning and group use. The curriculum aligns with national and state principles and standards for mathematics, reading, and economics. All units and lessons are available in both English and Spanish. In 2015, we conducted and supported over 80 financial literacy seminars and reached more than 2,500 participants in Philadelphia. We host financial education sessions in local bank branches to advance financial literacy in the community. Wells Fargo will provide materials and resources, for the event; templates and resources for promoting the events through community forums, local media and not-for-profits.
- In the area of **Affordable Housing**, for 2015 Wells Fargo Bank, N.A. originated 1,137 residential mortgages in low and moderate income areas of Philadelphia. We continue to support a network of nonprofit community housing counselors through foundation grants and employee resources. In collaboration with local nonprofit organizations, our employees help conduct first time homebuyers' seminars. Wells Fargo also support and sponsor homeownership fairs to help increase the number of homeowners in the city. We also provide construction financing products for affordable rental and homeownership units.
- In the area of **Small Business**, Wells Fargo Bank, N.A. provides small business loans, mortgages, credit cards, vehicle and equipment leasing to help entrepreneurs and small businesses grow. We have Small Business Financial Specialists through our extensive branch network in Philadelphia, telephone contact centers and the Internet. We maintain an active participation with the Small Business Administration (SBA) and work with local small business development centers and associations to help educate entrepreneurs

on personal and business finance topics. Also, we work closely with city wide small business initiatives and provide capital to smaller community lenders.

- **Provide the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.**

Type	2016 Goals	2016 Results	2017 Goals
Small Business Loans	800	599	650
Home Mortgages	1200	1122	1100
Home Improvement Loans	100	99	95
Community Development Investments	4	6	5

If applicable, explain why previous year results did not meet the stated goal.

Wells Fargo did not achieve 2016 goals for mortgage loans due to shifts in both the overall lending market and the consumer demand. Wells Fargo did not meet its Small Business lending goal due to increased competition in the small business space. However, Wells Fargo continues to be the largest lender in the City. Over 32% of loans made to businesses with less than \$1 million in revenue were made to businesses located in low and moderate income areas.

Wells Fargo's Community Development Investments were up 10% from 2015-2016. Approximately, 50% of Community Development Investments were located in low and moderate-income neighborhoods.

- **Provide the actual number and dollar amounts of small business loans, home mortgages, home improvement loans, community development investments, consumer loans, and other commercial loans made in neighborhoods within the City of Philadelphia.**

Calendar Year 2016*Number of Loans by Income*

Type	Low	Mod	Mid	Upp	Total
Residential Mortgage	214	908	1307	1417	3846
Home Improvement	27	72	85	57	241
Small Business Loans	211	388	491	749	1839
Community Development	1	5	2	3	11
Consumer Loans					
Other Commercial Loans					
Total:	453	1373	1885	2226	5937
How many business loans were originated?					

Value of Loans (\$1,000's) by Income

Type	Low	Mod	Mid	Upp	Total
Residential Mortgage	30,579	139,994	248,854	412,549	831,976
Home Improvement	992	5,121	6,638	12,060	24,811
Small Business Loans	10,849	12,452	18,710	37,904	79,915
Community Development	559	15,624	12,500	3,630	32,313
Consumer Loans					
Other Commercial Loans					
Total:	42,979	173,191	286,702	466,143	969,015
% of Consumer Loans made through Credit Cards					

- **Provide information on other types of community development investments made in neighborhoods within the City of Philadelphia (for example: Grants, Education,**

In addition to its lending, Wells Fargo also brings strength and capacity to its communities through a mixture of supportive services.

Investments in Philadelphia MSA: (not tracked to census tract or county level)

Grants	90	\$2,300,000
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Low Income Housing Tax Credits	1	\$3,800,000
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Equity Equivalent Investments (EQ2)	1	\$750,000
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The Wells Fargo Foundation supports a variety of programs focusing on community/economic development, education, health and human services and arts and culture. Our Wells Fargo Volunteers! Chapter encourages and supports bank employees' volunteer service throughout the City. Further, The Wells Fargo Regional Foundation, a separate private foundation affiliated with Wells Fargo, works to improve the quality of life for children and families living in low-income communities by concentrating its resources on neighborhood-based community development initiatives. Since its inception in 1998, the Wells Fargo Regional Foundation has made grants totaling more than \$21 million to Philadelphia-based non-profit organizations supporting various City neighborhoods.

Public or related Commercial Development).

5. **Briefly describe any lending outreach programs geared toward minorities, low-income persons, immigrants, or women. This description should include the targeted community, the type of product (i.e. commercial, home lending, unsecured consumer) and any program outcomes.**

In September, 2015, Wells Fargo announced its support of the goals of the National Association of Hispanic Real Estate Professionals' Hispanic Wealth Project, which seeks to triple Hispanic household wealth over the next decade. Wells Fargo's goals over the next 10 years include a projected \$125 billion in mortgage originations and a goal of \$10 million to support a variety of initiatives that promote financial education and counseling for Hispanic homebuyers. In continued recognition of the importance of hiring and retaining a diverse workforce, Wells Fargo also plans to increase the number of Hispanic home mortgage consultants on its sales team.

Appendix II
Wells Fargo Bank, N.A
Long Term Strategic Plan
As Required by City Ordinance No. 100549
March, 2017

Wells Fargo is pleased to submit its Long Term Strategic Plan as requested by the city Treasurer's Office, commissioned by the City of Philadelphia examining the Lending Practices of Depository Banks.

Background: Bill No. 100549 - states that "the proposed recipient submits a fair lending plan that responds to the latest annual lending disparity study or studies commissioned by the City relating to the performance of the proposed recipient and the performance of any other bank or other institution that the proposed recipient has acquired and such plan is attached as an exhibit to the ordinance approving the contract".

CORPORATE VALUES & VISION STATEMENT

Community Development: Wells Fargo's commitment to community development consistently strives to earn an "Outstanding" rating from the Office of the Comptroller of the Currency (OCC) who monitors and evaluates the Bank's compliance with the Community Reinvestment Act. At Wells Fargo, we want to satisfy all of our customers needs and help them succeed financially. We'll promote the economic advancement of everyone in our communities including those not yet economically self-sufficient, who have yet to share fully in the prosperity of our extraordinary country. We expect our team members to be community leaders.

Wells Fargo continues to provide access to lending and investment products through:

- Strong relationships to ensure impactful community development performance
- Tailored investments with flexible options
- Improved access to capital in low-moderate income communities

During 2015, Wells Fargo Foundation committed \$4.0 million in grant support to organizations in the City of Philadelphia with a focus on community development, education, health & human services, arts & culture, civic engagement and the environment.

Since its inception in 1998 through 2015, the Wells Fargo Regional Foundation has provided \$21.7 million to support revitalization work in Philadelphia neighborhoods supporting neighborhood planning, affordable housing development & counseling, economic development, neighborhood building, child & family services. In 2015, the Wells Fargo Regional Foundation disbursed \$941,200 to 21 different Philadelphia-based organizations impacting LMI communities.

LENDING RESULTS

HOME PURCHASE

- Per the 2015 Econsult Lending Study Wells Fargo received the highest home purchase lending composite score among all of the ranked depositories.
- Wells Fargo was the largest mortgage lender in the city of Philadelphia in 2015, originating 1,137 prime loans, an increase of 4.02 percent from 2014.
- Per Econsult's Lending Study, out of a total of approximately 32,000 loan applications, there were over 17,000 loans made in 2015.
- City depositories in aggregate received more than 5,100 loan applications and originated over 2,600 prime loans and 45 subprime loans totaling just over \$470 million in 2015. Applications and prime loans both increased by 16.7 percent and 27.0 percent, respectively between 2014 and 2015 in the City
- Overall mortgage lending in the market increased from 2014 to 2015 by 19.3%, reversing the decreasing lending trend from 2012–2013 and 2013–2014.
- Wells Fargo ranked 2nd among all city depositories in Home Purchase Loans to African Americans, exceeding the citywide benchmark for African America borrowers, with 16.7 percent of loans issued to African American borrowers, compared to the citywide average of 14.2.

All Prime, Single Family Loans, Philadelphia	2014Wells Fargo	2015 Wells Fargo	Year over year % change
Prime Loans Originated	1093	1137	4.02%
Loans to African Americans	120	187	55.8%
Loans to Hispanics	35	60	71.4%
Loans Minority Tracts	316	409	29.4%
Loans LMI Borrowers	379	463	22.1%
Loans LMI Tracts	200	220	10.0%

- As indicated above, the percentage of All Prime loans increased across all categories from 2014 – 2015. While prime loans originated increased just over 4%, loans to African Americans and Hispanics increased 55.8% and 71.4%, respectively.

Home Purchase Loans, Philadelphia	2014 Wells Fargo Penetration %	2015 Wells Fargo Penetration %	2014All Depositories Penetration %	2015 All Depositories Penetration %
Loans to African Americans	12.0	16.7	15.2	14.2
Loans to Hispanics	3.5	5.2	4.2	5.6
Loans Minority Tracts	31.7	37.7	39.4	41.4
Loans LMI Borrowers	38.0	33.8	47.5	40.8
Loans LMI Tracts	20.1	20.0	26.1	28.5

- Wells Fargo's Home Purchase Loan penetration to African American performed better than the combined depositories coming in at 16.7% as compared to the combined depository ratio of 14.2%. Wells Fargo ranked 2nd amongst all depositories.
- Though there was a significant increase in Hispanic penetration from 2014 (3.5%) to 2015 (5.2%), Wells Fargo's penetration was slightly lower than that of the combined ratio for all depositories (5.6%). Wells Fargo ranked 3rd amongst all depositories.

Denial Ratios Home Purchase	African American	Hispanic	Asian	Minority Tract
Wells Fargo 2014	3.29	3.29	2.17	1.81
Wells Fargo 2015	2.45	2.32	1.37	1.86
All Depositories 2014	2.39	2.73	1.78	1.65
All Depositories 2015	2.47	2.13	2.13	1.55

Denial Ratios Refinance	African American	Hispanic	Asian	Minority Tract
Wells Fargo 2014	1.41	1.22	1.48	1.28
Wells Fargo 2015	1.49	1.64	1.09	1.41
All Depositories 2014	1.38	1.47	1.53	1.28
All Depositories 2015	1.72	1.81	1.43	1.48

- Wells Fargo was slightly below all City Depository averages for denial ratios in all prime lending in the African American and Asian segments. Wells Fargo was below the City Depository denial ratios for the Hispanic and Minority Tract segments. Ongoing market conditions including under and unemployment and the foreclosure crisis have significantly impacted the volume of credit qualified home purchase mortgage applicants. We continue to work with nonprofit housing counseling organizations to identify opportunities.
- Denial rates for Home Purchase loans decreased for minority borrowers from 2014-2015 in each category for African American, Hispanic and Asian.
- Per Econsult's Lending Study, the Federal Reserve has repeatedly emphasized, HMDA data alone cannot be used to show racial discrimination. Certain risk factors, such as credit scores, the loan-to-value ratio and type of property are not included in the data. For Wells Fargo, these factors help explain our loan approval decisions.
- Wells Fargo's commitment to fair and responsible lending is reflected in the report's findings, which cite the company as "a national industry leader on anti-predatory issues."

HOME REFINANCE

In 2015, Wells Fargo ranked 1st in the number of loans originated among all City Depositories. Wells Fargo issued 579 prime home refinance loans, which was almost three times as many loans as that of the next highest depositor.

Met or exceeded City benchmarks in all percentage of loans issued to all borrowers except percent of loans issued to LMI and female borrowers. Met or exceeded City averages for denial ratios to African-Americans and minority tract applicants – for the third year in a row. Met or exceeded City averages for denial ratios to Hispanic and Asian applicants – for the second year in a row.

Our loan decisions are based on risk, including credit, loan-to-value and debt-to-income. To the extent there are differences among various groups, they are due to differences in credit risk.

Home Purchase and Refinance Strategy: Understand and act on efforts to stabilize Philadelphia's current housing situation and build a strong community for the future. To improve access to financing for low-moderate income homebuyers, Wells Fargo will execute the following strategy.

- In September, 2015, Wells Fargo announced its support of the goals of the National Association of Hispanic Real Estate Professionals' [Hispanic Wealth Project](#), which seeks to triple Hispanic household wealth over the next decade. Wells Fargo's goals over the next 10 years include a projected \$125 billion in mortgage originations and a goal of \$10 million to support a variety of initiatives that promote financial education and counseling for Hispanic homebuyers. In continued recognition of the importance of hiring and retaining a diverse workforce, Wells Fargo also plans to increase the number of Hispanic home mortgage consultants on its sales team.
- Work with HUD approved non-profit Homebuyer counseling agencies and conduct First-Time Homebuyer workshops.
- Host and participate in First-Time Homebuyer Fairs and provide technical assistance to LMI participants on the mortgage process and products.
- Financial Literacy
 - Our *Hands on Banking*® online program provides the basics in money management. This information is also available in Spanish. Wells Fargo is also working with local school districts to make the program part of their curriculum.
 - Wells Fargo will host financial literacy sessions in local bank branches to advance financial literacy in the community and will provide the materials and resources for the event, templates, and resources for promoting the events through community forums, local newspapers and not-for profits.
 - Wells Fargo will make its **Steps to Success**® Training Meeting-in-a-Box and webinar program available to Philadelphia housing agencies and not-for-profits. **Steps To Success**® is a program designed to help new homeowners, or homeowners with past difficulties, achieve and sustain successful homeownership, through education, tools and resources
 - Wells Fargo added two new segments to its financial literacy program that focus on the Senior and Military/Veteran communities. The information is specific to the needs of these segments and allows for Wells Fargo team members to share important financial information including how to buy a home or a car, budgeting, credit, etc.
- Wells Fargo partners with the Consumer Federation of America to support the America Saves Annual Campaign & the Military Saves Annual Campaign, both which drive asset building in the community through increased savings and planning.

- Sponsor conferences and Partner with Minority Realtor Groups; National Association of Real Estate Brokers (NAREB), National Association of Hispanic Real Estate Professionals (NAHREP) and Asian Real Estate Association of America (AREAA).
- Work with Realtors who serve low and moderate-income communities - CineMeeting simulcasts are held for real estate and mortgage professionals focused on serving the needs of first-time homebuyers, low and moderate-income and diverse customers.
- Wells Fargo is committed to reaching out to LMI borrowers utilizing Wells Fargo's suite of mortgage products that include low down payments with competitive interest rates.
- Provide Home Mortgage Consultants with on-going training/development to ensure expertise in CRA products
- By supporting our Non-Profit Housing Partners, Wells Fargo will continue to provide financial and volunteer support to activities in Philadelphia that drive the vitality of neighborhoods, with a special emphasis on neighborhood non-profit developers.

FORECLOSURE PREVENTION

- In response to rising foreclosures, the Philadelphia Court of Common Pleas granted temporary relief to residential homeowners facing foreclosures by postponing sheriff sales of foreclosed properties. The Honorable Annette M. Rizzo was at the forefront of this effort. In 2008, the City of Philadelphia created the Mortgage Foreclosure Diversion Program, one of the first of its kind in the nation. Under the First Judicial District of Philadelphia, Court of Common Pleas, Regulation No. 2008-01, conciliation conferences to explore alternatives to sheriff sales are mandated for all new foreclosure actions. Housing counselors, lenders, and legal counsel are available during the conciliation process to assist homeowners. Since its inception in 2008, according to the Office of Housing and Community Development, the City has saved 5,755 homes from foreclosure. Wells Fargo has significantly supported the City's efforts around addressing the foreclosure crisis through grant support for the "Save Your Home" Foreclosure Hotline (\$87,025), the Door to Door Outreach initiative (\$120,000) and Housing Counseling throughout the City (\$600,000).
- In markets hit hard by foreclosures, we have accelerated our modification efforts by hosting large-scale Home Preservation Events. For Wells Fargo Home Mortgage customers who attend, many receive modifications on the spot or within a short period after the event. A Home Preservation Event took place on September 11 & 12, 2010 at the Pennsylvania Convention Center:
 - 14,000 Wells Fargo & Wachovia customers in the Philadelphia area were invited
 - A total of 542 appointments during the two day event.
 - Workout results for loans reviewed at the event as of 05/20/2010
 - 100% have received a final decision
 - 70% have been approved for some kind of a workout option – 90% of those were modifications
 - 30% were denied or cancelled by the borrower

A second Home Preservation event was held on October 5 & 6, 2011 at the Philadelphia Convention Center:

- 34,918 Wells Fargo & Wachovia customers in the Philadelphia area were invited

- A total of 659 appointments during the two day event.
- Workout results for loans reviewed at the event as of 05/14/2012
 - 100% have received a final decision
 - 44% have been approved for some kind of a workout option
 - 53% were denied or cancelled by the borrower

A third Home Preservation event was held on August 14 & 15, 2012 at the Philadelphia Convention Center:

- 14,000 Wells Fargo & Wachovia customers in the Philadelphia area were invited
- A total of 551 appointments during the two day event.
- Workout results for loans reviewed at the event as of 05/14/2012
 - 100% have received a final decision
 - 44% have been approved for some kind of a workout option
 - 53% were denied or cancelled by the borrower

A fourth Home Preservation event was held on September 19, 2013 at the Philadelphia Convention Center:

- 3,800 Wells Fargo & Wachovia customers in the Philadelphia area were invited
- A total of 279 appointments and Wells Fargo reviewed 302 loans.
- Exit Survey results show 97% of customers who attended would recommend the event to others.

- In 2015 Wells Fargo completed a total of two (2) Home Preservation Outreach Events in Philadelphia, PA. These smaller outreach events were planned and executed utilizing non-profit partners of Wells Fargo impacting City neighborhoods.
- Wells Fargo is committed to work with the City of Philadelphia to reach as many of its customers as we can to provide guidance for staying in their homes
- We have instituted a 1:1 customer ownership model “Single Point of Contact” where our borrowers are assigned a direct contact (agent), who will work with them on identifying what options are available to stay in their home. It is a national model/best practice and is now being implemented throughout the industry.
- We continue to work with trusted 3rd parties in the community to assist our customers with mortgage challenges. This includes non-profit housing counselors, faith-based leaders including the NAACP, the Philadelphia Black Clergy and the Hispanic Clergy of Philadelphia, officials from the city's mediation & diversion program, and elected officials.
- Wells Fargo works with the Urban Affairs Coalition (UAC) through the Foreclosure Prevention Task Force to create the Foreclosure Prevention Resource Guide – a how to guide for housing professionals, homeowners and others who are faced with potential foreclosure issues. The guide is free and it is available online at www.gpuac.org/foreclosurehelp.htm or to receive a free hard copy, e-mail foreclosureguide@gpuac.org
- Wells Fargo has also worked with the National Urban League to co-sponsor a new edition of The Foreclosure Workbook: The Complete Guide to Understanding Foreclosure and Saving Your Home by author Carla Douglin. The book is available free-of-charge to homeowners across the nation who are experiencing challenges making their mortgage payments and who may face potential foreclosure.

- Several events have been held in Philadelphia in collaboration with the Diversion Court program, utilizing housing counselors to address customer issues in a one-on-one environment – counselors meet with Wells Fargo Home Mortgage specialists, face to face to review and solution mortgage customer issues.

HOME IMPROVEMENT LOANS

- In 2015, Wells Fargo ranked 2nd in the number of loans originated among all City Depositories. Wells Fargo issued 38 prime home improvement loans, a 51.9 percent increase from 2015.
- In 2015, the number of applications to City depositories for home improvement loans increased by 2.6, and the number of denials increase by 2.1 percent. Total Wells Fargo Prime Loans increased 37.1% over 2014.

Strategy: To recover, rebuild and sustain homeownership, including offering assistance and guidance to communities to plan their use of available Housing Economic Recovery Act dollars.

- Through the *Renew, Restore, Rebuild* Program, Wells Fargo provides education, guidance and government-backed renovation loan products to include: Financing options for purchase and renovation of residential properties using government-backed FHA renovation financing, FHA 203k Streamline renovation loan and Standard FHA 203k renovation loan.

Our plan is to lend responsibly to all consumer groups, partner with non-profits and City Government to support city-wide lending initiatives and identify products that meet community needs.

SMALL BUSINESS LENDING

In 2015, Wells Fargo remained ranked in first place for the 5th consecutive year, extending 1,982 loans to small businesses in Philadelphia County. 690 or (34%) of the loans were in LMI census tracts.

Strategy: To support small business development through identification of capital and technical assistance resources in order to increase employment and expand small business opportunities in the City of Philadelphia.

Wells Fargo Bank employs approximately 200 small business, business banking and retail banking specialists dedicated to providing financial services to businesses in the City of Philadelphia. Many of these bankers are located in Wells Fargo stores, the majority of which are located in LMI neighborhoods and minority areas.

Wells Fargo Small Business Lending includes:

- Credit amounts as low as \$5,000 on business loans
- Investments in Philadelphia Community Development Financial Institutions (CDFIs)
- Business Credit Cards and Lines of Credit

Wells Fargo has a comprehensive suite of products to help businesses grow and manage cash flow. Wells Fargo Advantage® Business Service Package is a flexible, full-featured business banking account, designed to help minimize fees. A business can choose at least three of the following accounts and services to complete your package:

- Wells Fargo® Business Platinum Debit Card
- Wells Fargo Business Online®
 - Free Business Bill Pay
 - Free Business Spending Report
- Any Business Savings Account
 - Earn a bonus interest rate on a Business Market Rate Savings account
- Wells Fargo® Business Platinum Credit Cards (subject to credit approval)
- Wells Fargo Business Secured Credit Card (for businesses that want to establish or rebuild credit)
 - Wells Fargo Business Card Rewards® Program
- Business Loans or Lines of Credit (subject to credit approval)
 - Wells Fargo BusinessLine® Line of Credit
 - Wells Fargo BusinessLoan® Term Loan
 - Wells Fargo Equipment Express® Loan
 - Wells Fargo Business Real Estate Financing
 - Wells Fargo Express Equity® Loan
 - Wells Fargo Express Refi® Loan
 - Wells Fargo Small Business Advantage® Line of Credit
 - Wells Fargo SBA Loans and Lines of Credit
 - Other business loans and lines of credit
- Direct Pay through Wells Fargo Business Online
- Business Time Accounts (Certificates of Deposits or CDs)
- Wells Fargo Merchant Services
- Wells Fargo Business Payroll Services

Wells Fargo (NYSE: WFC) is introducing Wells Fargo Works for Small Business, a broad initiative to deliver resources, guidance and services to help more small businesses achieve financial success. With the new initiative, Wells Fargo also is announcing a goal to extend \$100 billion in new lending to small businesses by 2018.

COMMUNITY PARTNERSHIPS SUPPORTING SMALL and MICRO BUSINESS

Wells Fargo has provided the grants and investments to the following organizations and expects to continue our partnership to support Small and Micro-Business in the City of Philadelphia.

Greater Hispanic Chamber of Commerce – Funding will provide resources to help individuals start new businesses and adopt best practices; facilitate access for their members to local, regional, national and international opportunities to grow their businesses. With the help of Wells Fargo, the Chamber will contribute to a healthy business environment and improve the quality of life for the Greater Philadelphia Hispanic community.

- Wells Fargo will host several small business networking activities and seminars addressing small business financing and expansion.
- The Chamber has been provided with a \$50,000 grant to support their outreach and work in the small business sector primarily Hispanic business owners.
- The Greater Hispanic Chamber of Commerce was provided a \$20,000 grant from the National Hispanic Chamber of Commerce through support from Wells Fargo.

Cooperative Business Assistance Corporation (CBAC) – CBAC will provide loans and technical assistance to small businesses located in low and moderate-income census tracts and minority census tracts in Philadelphia neighborhoods. The intent is to increase the impact in distressed neighborhoods, create new employment opportunities and increase access to capital and technical assistance.

- Wells Fargo will be working with CBAC to provide small and micro lending seminars focusing on business finance and technical assistance.
- Wells Fargo supports the partnership between CBAC and the Greater Hispanic Chamber of Commerce to provide capital and technical assistance to diverse small business customers in Philadelphia.
- CBAC is under consideration for the Wells Fargo Diverse Community Capital program, funding support that in the form of low interest loan or grant dollars.

African-American Chamber of Commerce – Wells Fargo works with the Chamber and provides education, support, and marketing for individuals in low-moderate income communities seeking to build and grow profitable businesses. At Wells Fargo, we believe strongly that the best way to revitalize low to moderate income communities is to develop economic solutions for the residents. With today's economic contraction hitting large companies' especially hard, most financial experts believe that small business will lead the way forward for our economy including most job growth. As we grow business and personal income, we will help to transform communities and lives.

- Wells Fargo will host several workshops and networking mixers throughout the City of Philadelphia.
- Wells Fargo Foundation provided the Chamber Foundation with a \$25,000 grant to support their efforts around small business in the Philadelphia community.

Urban Affairs Coalition (UAC) – Wells Fargo continues to play an active role on the organizations Small Business Lending Capacity building Committee and the Board of Directors. Currently, the Small Business Lending Committee is creating a multi-bank, multi-year support system for Community Development Finance Institutions (CDFI's) to increase their lending capacity.

- Wells Fargo will provide loan capital, operational funds and technical assistance to selected CDFI's.
- Wells Fargo will continue to provide financial education seminars for existing and new small business owners.
- UAC Community and Economic Development Committee created a sub-committee to address issues with Housing Counseling agencies in the City, with the intent to develop a sustainable solution for funding and impact regarding credit, pre-purchase and foreclosure counseling.
- UAC Community and Economic Development Committee created a sub-committee to address the issues surrounding the permanent funding of Housing Counseling in the City of Philadelphia. A Funding Collaborative was created and includes representation from all of the City financial institutions, non-profit partners, Office of Housing & Community Development – City of Philadelphia and PA Housing Finance Agency.
- A grant in the amount of \$75,000 was provided through the Wells Fargo Foundation to support the various programs that impact Philadelphia communities.

Urban League of Philadelphia – The Entrepreneurship Center provides technical assistance, strategic planning and linkages to resources to help small businesses grow their financial and human capital. The goal is to empower entrepreneurs to increase revenue and create employment opportunities in the region.

- Wells Fargo will continue to provide financial education seminars for existing and new small business owners.
- Urban League partners with Wells Fargo to support the Home Preservation events helping homeowners having challenges with their mortgages.
- An annual small business event is scheduled during Small Business Week each year in June at the Entrepreneurship Center, historically drawing 100-200 small business owners from the City.
- Wells Fargo Foundation provided support to the Urban League in the amount of \$40,000 to support small business activities in the Greater Philadelphia community.

University of PA (Wharton Small Business Development Center) – The Wharton School received a multi-year commitment of \$500,000 to support the Wharton SBDC, enabling the Wharton SBDC to enhance their core programs that help over 700 small businesses annually to start, grow and prosper. Funds will be used to support the Business Building Program; the High-Impact Growth Consulting Program and SBDC-developed Wharton Course Projects.

- Wells Fargo continues to participate in several workshops, networking events and provide technical assistance to Small Business Owners in West and Southwest Philadelphia.

Philadelphia Chinatown Development Corporation – PCDC has received funding to support community outreach, housing counseling, community services programs and development of a Business Improvement District. This funding enabled PCDC to leverage additional resources that facilitated economic development projects and the hiring of a Main Street Manager to organize local business owners.

- Wells Fargo works with the Main Street Program to provide technical assistance and access to capital for small businesses in Chinatown.
- PCDC has been supported by the Wells Fargo Regional Foundation for the development of a neighborhood plan and the implementation of that plan. Additionally they have been supported with a renewal grant to continue the impact of the original resident-driven neighborhood plan in Philadelphia's Chinatown neighborhoods.

Finanta – A subcommittee of the Urban Affairs Coalition focused on CDFI Capacity Building with small business lenders in the City of Philadelphia. Wells Fargo along with other financial institutions participate in this initiative which is ongoing to assist in driving capacity at Finanta to increase peer lending, micro-lending and small business lending throughout the City neighborhoods. Wells Fargo will provide grant to support Finanta's micro-lending business in North Philadelphia. FINANTA is committed to supporting entrepreneurs and first-time homeowners with financial education and lending services that match the ever-changing needs of their families and businesses.

- Wells Fargo will work with Finanta as a partner with the Wells Fargo Small Business Solutions Expo and other small business technical assistance and access to capital events.
- Wells Fargo provided grant dollars to Finanta to support Rosca, a "peer lending" micro-lending program supporting North Philadelphia neighborhoods.
- Finanta received a Wells Fargo Priority Markets grant for neighborhood revitalization in the amount of \$60,000.
- Finanta is under consideration for the Wells Fargo Diverse Community Capital program, funding support that in the form of low interest loan or grant dollars.

The Enterprise Center – Wells Fargo expects to replicate a Small Business Solution Expo in West Philadelphia (in partnership with the Enterprise Center) to provide a venue for micro and small businesses to meet with representatives from Wells Fargo, Community Development Finance Institutions, Small Business Development Centers, Legal Services, Accountants, Healthcare, Fraud Services and the City of Philadelphia Commerce Department. The Expo helps Businesses to 1) Grow and Expand, 2) Identify new ways to reduce expenses and 3) Increase operation efficiency. The Businesses gain access to: Credit Solutions (Lending Products), Non-Credit Solutions (Merchant Services, Insurance, Payroll) and Business Advisory Services (Accounting, Legal, Fraud Prevention, Healthcare, and Strategic Planning). Over 90 Small Business Owners attended past Expo events.

Wells Fargo provided a \$100,000 grant as part of the CityLIFT initiative to support the opening of the Venture Accelerator Center and to promote the Elevate! Small Business Loan Program in the City of Philadelphia.

Wells Fargo supported an annual Small Business Solution Expo (Business Education Series) in partnership with the Enterprise Center that focuses on business development in North Philadelphia. The Expo focused on key areas that are essential in growing and developing a business. Attendees met the experts in the following rotating table discussions - Social Media/Marketing, Payroll, Insurance, Financing, Sales and Accounting. 75-100 Small Business Owners attended the event. Wells Fargo is working with the Enterprise Center staff to plan an additional event targeting small business.

- Wells Fargo Foundation provided The Enterprise Center a \$10,000 grant to support their work in the community.

NEIGHBORHOOD ANALYSIS

The home and business lending practices in nine City neighborhoods were examined. These neighborhoods contain census tracts classified as minority and low-to-moderate-income (LMI). All nine neighborhoods are located in areas where community development corporations and empowerment zones have been established.

Wells Fargo made 53 loans within eight of the nine neighborhoods, the same as in 2014. Wells Fargo made 4.5 percent of all its City loans in those nine areas. Its market share in the neighborhoods was 6.3 percent, up from 5.6 percent in 2014.

BRANCH ANALYSIS

Forty-six percent of census tracts in the City are LMI tracts. Wells Fargo surpassed the Citywide benchmark of 26.1% for locating branches in LMI areas. Wells Fargo had the highest percentage, with 32.5 percent of all Philadelphia bank branches in LMI areas. Wells Fargo has had the highest percentage of branches located in LMI communities throughout the city for the third consecutive year.