



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.

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

Wachovia remains committed to consistently improving the ways we serve all City residents. We continue to bring strength and capacity to our communities through a broad array of initiatives, products and services. Our employees spend time, effort and resources on increasing the supply of affordable housing, promoting homeownership, teaching financial literacy, providing technical support to small business owners and mobilizing employee volunteers. Everyday, Wachovia 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**, Wachovia was the 1st major bank to partner with the FDIC on their **Money Smart financial literacy program**. We developed an **eCommunitiesfirst** program to help bridge the "digital divide" with computer-based lessons in basic PC and money management skills-study Money Smart classes through our corporate internet site. In 2008, we conducted and supported over 50 financial literacy seminars and reached more than 1,000 participants in Philadelphia.

In the area of **Affordable Housing**, Wachovia provided 1,282 residential mortgages in low and moderate income areas of Philadelphia and supported the network of nonprofit community housing counselors through foundation grants and employee resources. Our employees provide first time homebuyers' seminars and sponsors 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**, Wachovia provides small business loans, mortgages, credit cards and 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 partnership with the Small Business Administration (SBA) and work with local small business development centers and associations to educate entrepreneurs on personal and business finance topics. We also work closely with Citywide small business initiatives and support smaller community lenders with capital.

Wachovia remains committed to Philadelphia and continues to bring its full resources to servicing the whole Community!

- b. **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 | 2008 Goals | 2008 Results | 2009 Goals |
|-----------------------------------|-------------------|---------------------|-------------------|
| Small Business Loans | 477 | 398 | 477 |
| Home Mortgages | 2323 | 1282 | 2323 |
| Home Improvement Loans | N/A | 172 | N/A |
| Community Development Investments | N/A | 11 | N/A |

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

2008 was a turbulent year due to the economic recession, high foreclosures rates, high unemployment and credit tightening. This resulted in a significant reduction in the number of loans that were closed in 2008. While the recession continues to impact lending and the capital market, the expectation that lending will improve through 2009 and 2010.

- c. **Provide the actual number and dollars 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 2008

Number of Loans

| Type | Low | Mod | Mid | Upp | Total |
|---|--------------|--------------|--------------|------------|---------------|
| Residential Mortgage | 359 | 923 | 779 | 198 | 2,259 |
| Home Improvement | 91 | 81 | 64 | 12 | 248 |
| Small Business Loans | 153 | 245 | 198 | 151 | 747 |
| Community Development | 6 | 3 | 1 | 1 | 11 |
| Consumer Loans | 1,396 | 3,573 | 3,219 | 626 | 8,814 |
| Other Commercial Loans | | | | | |
| Total: | 2,005 | 4,825 | 4,261 | 988 | 12,079 |
| | | | | | |
| *How many business loans were originated? | 153 | 245 | 198 | 151 | 747 |

Value of Loans (\$)

| Type | Low | Mod | Mid | Upp | Total |
|--|-------------|-------------|-------------|-------------|--------------|
| Residential Mortgage | 31,976,029 | 120,105,030 | 116,097,929 | 58,304,837 | 326,483,825 |
| Home Improvement | 3,423,133 | 3,583,823 | 3,015,296 | 1,499,759 | 11,522,011 |
| Small Business Loans | 36,684,474 | 40,533,138 | 26,077,537 | 33,512,661 | 136,807,810 |
| Community Development | 9,492,971 | 26,184,677 | 150,000 | 5,250,000 | 41,077,648 |
| Consumer Loans | 20,148,982 | 26,184,677 | 65,833,138 | 30,605,163 | 177,424,192 |
| Other Commercial Loans | | | | | |
| Total: | 101,725,589 | 251,243,577 | 211,173,900 | 129,172,420 | 693,315,486 |
| | | | | | |
| *% of Consumer Loans made through Credit Cards | 40% | 35% | 32% | 14% | 31% |

- d. **Provide information on other types of community development investments made in neighborhoods within the City of Philadelphia (for example: Grants, Education, Public or related Commercial Development).**

In addition to its lending, Wachovia also brings strength and capacity to its communities through a mixture of supportive initiatives.

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

| | | |
|------------------------------------|----------|-------------------|
| Bonds | 7 | \$21,316,671 |
| Low-Income Housing Tax Credits | 1 | \$10,263,867 |
| Grants | 96 | \$ 5,054,723 |
| InKinds | 1 | \$ 235 |
| Direct Investments | 1 | \$ 75,000 |
| <u>Program Related Investments</u> | <u>2</u> | <u>\$ 500,000</u> |
| Total | 108 | \$37,210,496 |

The **Wachovia Foundation** supports a variety of programs focusing on community/economic development, education, health and human services and arts and culture. Our **WachoviaVolunteers!** Chapter encourages and supports bank employees' volunteer service throughout the City. Further, **The Wachovia Regional Foundation**, a separate private foundation affiliated with Wachovia, 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 Wachovia Regional Foundation has made 55 grants totaling more than \$15.8 million to Philadelphia-based non-profit organizations.**