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Wachovia program to benefit community development

The Wachovia Foundation, along with the John D. and Catherine T. MacArthur Foundation and the Opportunity Finance Network, will award \$42 million to community development financial institutions that serve low-income individuals in the United States.

The five-year partnership program is called the Wachovia Next Awards for Opportunity Finance.

The first recipients of the awards will be named in December in Miami. A national committee will choose two CDFI organizations to receive \$8.25 million in grants and investments. Financing provided by CDFIs allows nonprofits and entrepreneurs to build and preserve affordable housing, help small businesses grow and develop new community facilities.

The Wachovia Foundation is making a \$16.75 million grant, and the MacArthur Foundation is making a \$25 million low-cost, long-term loan to fund the awards.

Opportunity Finance Network, based in Philadelphia, comprises private financial intermediaries who identify and invest in opportunities to benefit low-income individuals.

Charlotte-based Wachovia Corp. (NYSE: WB) is entering California this year following its October purchase of Golden West Financial Corp., the Oakland-based thrift and adjustable-rate mortgage specialist. Through the purchase, Wachovia became the fourth-largest bank in the East Bay by deposits. World Savings branches will be reflagged to the Wachovia name later this year.