OUR MISSION is to effectively utilize corporate investment and available tax incentives to stimulate the development of affordable, low- and moderate-income housing units. We strive to revitalize and stabilize neighborhoods, through public/private cooperation and superior asset management.
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**Features:**
- Irving School
- Ruskin Townhomes
Fortunately the equity markets showed some improvement during 2011, and through a concerted team effort, we were able to benefit. During 2011, a Fund of $14,534,000 was raised which represents approximately a 30% increase over the 2010 Fund. An additional $7,000,000 in managed direct investment was generated. The combined $21,534,000 enabled SLEFI to participate in the funding of four projects with a total investment of $17,734,391 creating 303 units of affordable housing, which represents a 100% increase in production from 2010.

Our existing portfolio also showed improvement with physical occupancy up 1.5 percentage points over performance in 2010. We were also able to successfully exit 11 projects during 2011, several of which were underperforming.

As reported last year, Gateway Community Development Fund, Inc. made application to the U.S. Department of Treasury for certification as a Community Development Financial Institution (CDFI). We are pleased to report that Gateway received certification along with a $100,000 Technical Assistance Grant. In addition, Gateway recently applied for an additional $600,000 grant. If received, these funds would be deployed as loans in support of affordable housing. Gateway has also obtained funding from a local bank and is currently negotiating with several other financial institutions. Finally, Gateway has entered into an agreement with two highly experienced consultants which will greatly increase Gateway’s capacity.

We are looking forward to a very productive 2012 with continued growth in support of affordable housing. We would like to thank our loyal investors for all of their continued support.

John J. Wuest
President and CEO
UNDED WITH A $75,000 GRANT from Civic Progress, the St. Louis Equity Fund was established in 1988 in response to the desire for a locally owned and controlled vehicle to syndicate low income and historic tax credits. Since that time, the Equity Fund has raised $294 million which has been utilized to develop 3,932 affordable homes in communities across Missouri, Southern Illinois and the Kansas City metro area.

The St. Louis Equity Fund and its Investors understand that the need for safe, affordable housing is now more pressing than ever. In addition to providing the equity necessary to develop this affordable housing, the Equity Fund established Gateway Community Development Fund, Inc. to provide financial services, consulting services and training to entities serving low-income neighborhoods in the state of Missouri, Southern Illinois and Eastern Kansas. The St. Louis Equity Fund and Gateway CDFI work collaboratively to provide a wide array of services to its partners in the communities they serve.
Investors in the St. Louis Equity Fund are able to support the communities in which they reside and serve and, at the same time, earn an acceptable return on their investment. The St. Louis Equity Fund raises capital on an annual basis from corporations and financial institutions and invests this capital in affordable and historic rental housing units through the purchase of federal and state tax credits. The tax benefits generated from these investments are then passed on to the investors, proportionate to their investment in the annual fund, which provides them a market rate of return on their investment, along with making a significant contribution to the betterment of the community.

Not-for-profit and for-profit developers receive an allocation of Low Income Housing Tax Credits (LIHTC) from the state housing agency through a competitive bidding process. The St. Louis Equity Fund then purchases these credits, thus providing the equity necessary to develop good quality, affordable, rental housing. Historic Tax Credits are also available to our investors.
Frequently Asked Questions

What is a low-income housing tax credit and how does it help finance affordable housing?
In 1986, Congress passed the Tax Relief Act, which included a provision authorizing the distribution of tax credits through state housing agencies to encourage private investment in affordable housing. Annually, based upon a per capita dollar amount of credit, each state is authorized to distribute tax credits through a competitive application process to developers. Tax credits are then sold to investors, the proceeds of which provide the equity to build the development. Tax credits are allocated in equal amounts over a period of ten years, and the development must remain affordable and be occupied by qualified low-income renters for a period of fifteen years. This is known as the tax credit compliance period. Since the early 1990s, states have typically required an additional 15 years of affordability after the tax credit compliance period has ended, thus ensuring an adequate supply of affordable housing.

The equity provided by the sale of these credits greatly reduces or eliminates the need for project debt, thus keeping rental rates affordable.

What is an historic preservation tax credit and how does it help finance the rehabilitation of historic buildings?
The Historic Preservation Tax Credit is sold by developers to investors, or to individuals in the case of Missouri State Historic Credits. In order to qualify for the credit, buildings must be National Historic Landmarks listed on the National Register of Historic Places or contribute to National Register Historic Districts and certain local historic districts. Properties must be income-producing and must be rehabilitated according to standards set by the Secretary of the Interior.

Who controls the St. Louis Equity Fund?
The St. Louis Equity Fund is a Missouri not-for-profit corporation controlled by its members, which are the banks and corporations that have invested in any of the active annual funds since 1988.
Pagedale Senior Housing and Retail Development

**Pagedale Senior Housing and Retail Development** is a four story building comprised of four two-bedroom units, 38 one-bedroom units, community space, and commercial space. Midwest BankCentre will occupy a portion of the commercial space and is the first full service financial institution to open a branch in the city of Pagedale. Beyond Housing will focus on providing enhanced social activities, education, and a variety of other services for the residents and other seniors in the area. This development is the second in the Pagedale TIF Redevelopment District. The first development in the District was the Save-A-Lot grocery store that is located adjacent to this housing site. This property represents the 15th partnership between St. Louis Equity Fund and Beyond Housing.

**Number of Units:** 41 LIHTC and 1 Manager’s Unit  
**Commitment:** $5,522,093  
**Financing:** Low-Income Housing Tax Credits  
**Location:** Pagedale – St. Louis County  
**Direct Investor:** Midwest BankCentre  
**Developer:** Beyond Housing  
**General Partner:** Beyond Housing  
**Consultant:** TPI Group, LLC  

**General Contractor:** E.M. Harris Construction Company  
**Architect:** Gray Design Group  
**Construction Lender:** Missouri Housing Development Commission  
**Permanent Lender:** Missouri Housing Development Commission  
**Property Manager:** Beyond Housing  
**Project Type:** LIHTC – Elderly
THE GARRISON RESIDENCE is a 49-unit development located just west of downtown St. Louis that will serve veterans and others who are moving from homelessness toward self-sufficiency. Although preference is given to veterans, all individuals in need of supportive services will be welcome here. Community amenities at the Garrison Residence include a community room, computer lab, library, and laundry room. Residents will receive ongoing supportive services while living at the property. These include substance abuse counseling, life-skills classes, health services, transportation services, housing assistance, and employment services. This development represents the second partnership between St. Louis Equity Fund and The Salvation Army.

Garrison Residence

Number of Units: 48 LIHTC and 1 Manager’s Unit  
Commitment: $2,853,446  
Financing: Low-Income Housing Tax Credits, MHDC HOME Funds  
Location: Midtown – City of St. Louis  
Direct Investor: First National Bank of St. Louis  
Developer: The Salvation Army  
General Partner: The Salvation Army  
Consultant: Hill, Devine & Gong  
General Contractor: Paric Corporation  
Architect: Trivers Associates  
Construction Lender: The Salvation Army and MHDC  
Permanent Lender: The Salvation Army  
Property Manager: McCormack Baron Ragan Management Services, Inc.  
Project Type: LIHTC – Veterans/Special Needs
St. Louis Stamping Lofts

**ST. LOUIS STAMPING LOFTS** consists of 56 studio apartments in a four story building just blocks north of historic Laclede’s Landing in downtown St. Louis. Built in 1870 as the St. Louis Stamping Company, the property is listed on the National Register of Historic Places. This development is a transitional residential facility which provides supportive services to ex-offenders and others with special needs. The apartments are the residential component of a unique urban agriculture project to be known as “FarmWorks,” which will provide a sustainable, highly efficient process for producing greenhouse-grown produce and tank-raised fish for commercial sale. In addition, the project will provide training and incubation space for emerging green businesses.

**2011 DEVELOPMENTS**

- **Number of Units:** 56
- **Commitment:** $6,215,709
- **Financing:** Low-Income Housing Tax Credits
- **Location:** Near North Riverfront – City of St. Louis
- **Direct Investor:** Pinnacle Entertainment
- **Developer:** LoftWorks, LLC
- **General Partner:** LoftWorks, LLC
- **Consultant:** CPDC
- **General Contractor:** E.M. Harris Construction Company
- **Architect:** Rosemann & Associates, P.C.
- **Construction Lender:** Missouri Housing Development Commission
- **Property Manager:** CityWorks Realty
- **Social Service Provider:** St. Patrick Center
- **Project Type:** LIHTC – Special Needs
HIS DEVELOPMENT will rehabilitate two apartment buildings located on the Cardinal Carberry Campus in Shrewsbury, MO, providing a continuum of care for seniors. The renovation will provide a greater number of one-bedroom units, along with general refurbishing of the project. Cardinal Ritter Senior Services, the General Partner, was founded in 1965 to address the needs of the growing aging population, especially the poor and frail senior adult. This is the first partnership between Cardinal Ritter Senior Services and St. Louis Equity Fund. This project investment is expected to close in March 2012.

Number of Units: 157
Commitment: $3,143,143
Financing: Low-Income Housing Tax Credits
Location: Shrewsbury – St. Louis County
Developer: Cardinal Ritter Senior Services
General Partner: Cardinal Ritter Senior Services
Consultant: ND Consulting Group
General Contractor: BSI Constructors
Architect: Rosemann & Associates, P.C.
Construction Lender: AFL-CIO Housing Investment Trust
Permanent Lender: AFL-CIO Housing Investment Trust
Property Manager: Cardinal Ritter Institute Residential Services Corp.
Project Type: LIHTC – Elderly
GATEWAY Community Development Fund, Inc. was formed in 2009 by the St. Louis Equity Fund and is a wholly owned subsidiary of the Equity Fund. Gateway’s goal is to help fill the need for non-traditional loan products and development consulting services in underserved areas, serving organizations in the urban cores of the St. Louis and Kansas City metropolitan areas, as well as communities throughout Missouri, Southern Illinois, and Eastern Kansas.

Gateway’s loan products include pre-development lending and first mortgage financing for affordable rental properties, and bridge financing for purchase, rehabilitation and resale to homebuyers of foreclosed properties. Its services include consulting, training and technical assistance in financing, lending and affordable housing development.

In 2011, Gateway received certification from the U.S. Department of the Treasury as a Community Development Financial Institution (CDFI) and was granted $100,000 in technical assistance funds, as well.

After Gateway facilitated our annual retreat, our Board was really energized. We have increased attendance at committee meetings and our fund raising efforts have become much more focused and successful.

Mark Stalsworth
President and CEO
Neighborhood Housing Services of Kansas City
Gateway is recognized as a valuable partner in lending, as well as training, strategic planning and organizational development. In 2011 this was demonstrated by the services provided to Blue Hills Community Services and Neighborhood Housing Services in Kansas City, and a pre-development loan to St. Peter’s Roman Catholic Cathedral that will pave the way for affordable rental housing in Belleville, IL.

As Gateway expands its products and services, it is also expanding its expertise with the addition of Messrs. Joe Cavato and Jerry Burka as consultants to the organization. Gateway looks forward to the future as these products and services become more widely known throughout the service areas.

“IFF looks forward to working with Gateway on the preservation of affordable housing in St. Louis and Kansas City and opportunities to leverage the work of our respective organizations to better meet the needs of the nonprofit community. Erica has demonstrated a willingness to partner and brings a wealth of experience in the sector.”

Kirby Burkholder
Executive Director–Missouri
IFF
URING THE PAST YEAR, Community Asset Management Company expanded its services and customer base while continuing to focus on its core communities and the mission of affordable housing.

2011 saw CAMCO evolve, while demonstrating continuity in its leadership and fundamental mission. As the real estate world continued to recover from very challenging market conditions, CAMCO altered its corporate structure from a board-directed entity to one directed as a member of the St. Louis Equity Fund family of companies. This allows CAMCO to continue its focus on property management on behalf of the Equity Fund, provide social services to residents of the properties it manages, and expand its real estate services to additional third party customers.
During the past year, CAMCO increased its portfolio by securing management contracts for newly constructed St. Louis Equity Fund properties, and by absorbing the management tasks of older properties in which the Equity Fund has invested. Additionally, in 2011 CAMCO secured property management contracts and receivership roles for institutions such as Citibank and Hudson Advisors. These assignments helped CAMCO create a more viable business model with improved financial performance.

CAMCO has enjoyed the stability of its senior management team during the past year, which has certainly contributed to its improved performance. Marty Knobloch has served as President since 2010; Liz Coleman, Vice President/COO, has been with the team since 2008; and Mike Thomas, Controller, joined CAMCO in 2010.
ACTUAL RETURN VS. PROJECTED RETURN

Actual results through December 31, 2010 and projected results for the remaining years in the fund.

Based on the original project projections in each of the funds.
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ST. LOUIS EQUITY FUND INVESTORS (1988-2011)

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Aquia, Inc.
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BMO Harris Bank
The Boeing Company
Boulevard Bank
The Business Bank of St. Louis
Cass Commercial Bank
Centene Corporation
Centrue Bank
CIPSCO
Citizens National Bank of Greater St. Louis
Commerce Bank, N.A.
CPI Corp.
Emerson Electric Co.
Enterprise Bank & Trust
Equity Bank, N.A.
Exchange National Bank of Jefferson City
Fannie Mae
Fifth Third Bank CDC
First Bank
First National Bank of St. Louis
Frontenac Bank
General Dynamics Corporation
Great Southern Bank
Heartland Bank
INDEECO
Irwin Union Bank
Jefferson Bank and Trust Company
Kansas City Life Insurance Company
KLT Investments, Inc.
The Laclede Group, Inc.
Lindell Bank & Trust Co.
Mallinckrodt Inc.
Macy’s
Metcalfe Bank
Metropolitan Life Insurance Company
Midland States Bank
Midwest BankCentre
Monsanto Company
Nestlé Purina Pet Care
Northern Trust Corporation
Peoples National Bank
PNC Bank, N.A.
The PrivateBank
Pulaski Bank
Pullitzer, Inc.
Regions Bank
The Reliable Life Insurance Company
Reliance Bank
St. Johns Bank & Trust Company
St. Louis Bank
Scottrade Bank
Stifel Bank & Trust
UMB Bank, N.A.
US Bancorp CDC

GENERAL PARTNERS (1988-2011)

Alan Rudroff
Better Living Communities
Beyond Housing
Cardinal Ritter Senior Services
Carondelet Community Betterment Federation, Inc.
DeSales Community Housing Corporation
DMCS Corporation
Donald R. Becker
Failoni Consultants
Forrest D. Nye
Fox Meadows Supportive Living, LLC
Hamilton Heights Neighborhood Organization, Inc.
Housing Revitalization, Inc.
Intercommunity Housing Association
Irving Partners, LLC
I-70 Northwest Development Corporation
Kohner Development Company, Inc.
Lindell Leasing, LLC
LofWorks, LLC
Luther Boykins Lutheran Senior Services
Maplewood Housing Corporation
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Northeast Properties, LLC
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Northside Community Housing
Overland Property Group
Parkside Development Corporation
Parkview Gardens Association
Patrick W. Werner
Peter and Paul Housing Corporation
Places for People, Inc.
Pruitt-Igoe Development Corporation
Richard Wagner
Robert Wood Realty
Rudman Building GP, LLC
Smile GP, LLC
Sisters of the Most Precious Blood
St. Louis Public Development Corporation X
St. Patrick Center
The Business Research Institute of Community Economic Development
The Salvation Army
The Seidlund Company

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Fulson Housing Group
McCormack Baron Salazar, Inc.
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Senior Vice President and CFO

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Vice President
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Amy P. McDermott
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Colleen Kirby
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Accounting Manager

Denise Washington
Asset Manager – Financial Reporting

Kristal Yancie
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President

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Acknowledgements:

Editor & Production Coordinator
Amy McDermott

Design by Scott Hueting

Printing by Stolze Printing Company, Inc.
SLEFI was founded in 1988 and the first annual fund raised $3.25 million.

The combined Funds have provided 3,932 affordable homes since 1988.

The combined Funds have raised $294 million since 1988.

The combined Funds’ investments of $294 million have leveraged $548 million of development.

Since SLEFI’s inception, approximately 6,070 jobs have been created due to the development activity of its investments.