

**2007**  
**Report to the  
Community**

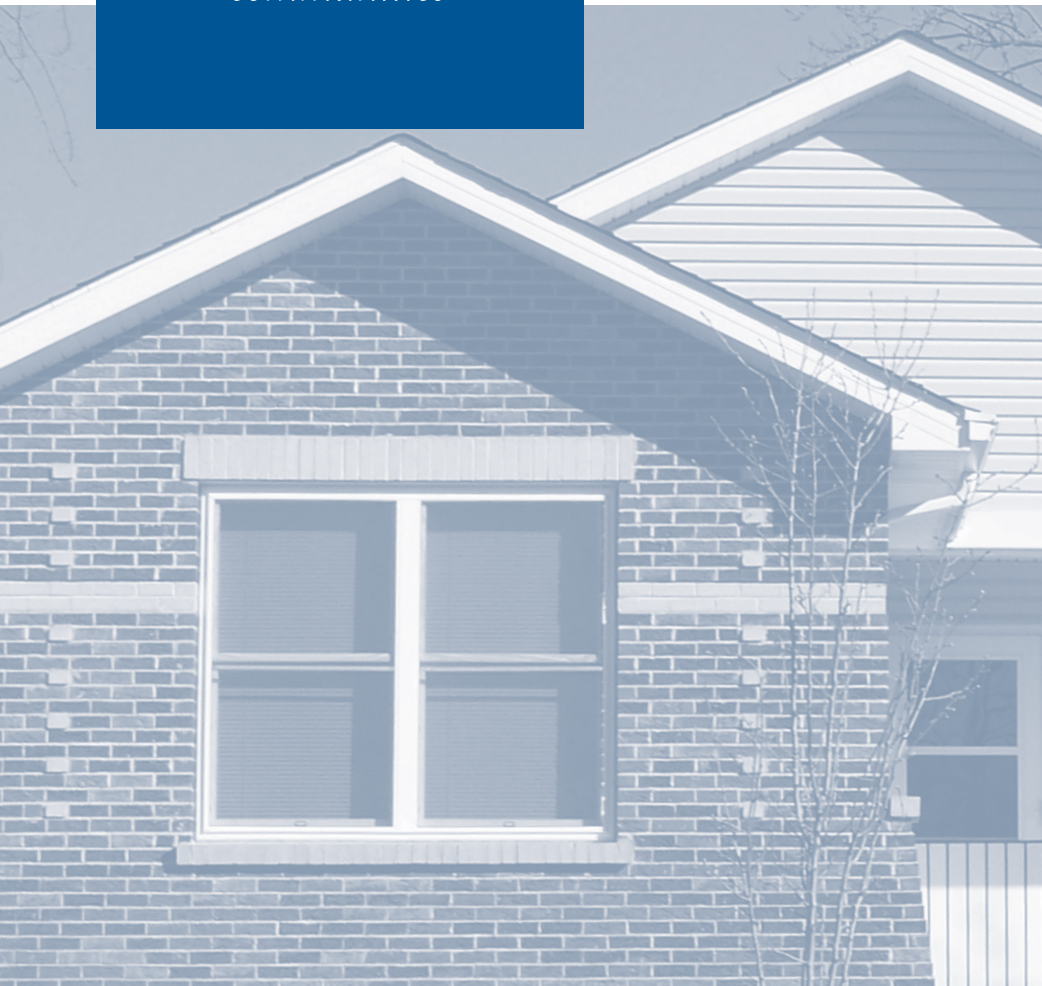
**St. Louis Equity Fund, Inc.**



## Mission



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.



2	A Letter from the President
3	General Overview
4	St. Louis Equity Fund 2007 Accomplishments
6	Kansas City Equity Fund 2007 Accomplishments
7	Kansas City Equity Fund 2007 Development
8	Community Asset Management Company
10	St. Louis Equity Fund 2007 Developments
	<i>Frankie Freeman Homes 10</i>
	<i>Kingsway Townhomes 11</i>
	<i>Lucas and Hunt Heights 12</i>
	<i>Mary Louise Estates 13</i>
	<i>Park Avenue Apartments 14</i>
	<i>Rosati House 15</i>
16	Investment Summary
18	Investors
	Board of Directors
	General Partners
	Professional Consultants
	Staff





## A Letter from the President

The St. Louis Equity Fund reached a milestone at the end of 2007 – we completed our 20th year! During the year we raised approximately \$32,000,000 which includes the St. Louis Fund, the Kansas City Fund and the St. Louis and Kansas City State Credit Funds.

The 2007 St. Louis Funds raised approximately \$27,450,000 which has been committed to seven developments, bringing the total number of units in the St. Louis Equity Fund's portfolio to 3,307 since its inception.

We are also pleased to report that the Kansas City Equity Fund was very successful in its first year of business. The first Kansas City and Kansas City State Credit Funds totaled approximately \$4,550,000 which has been committed to two developments in the Kansas City Market. We are very confident that under Erica Dobreff's leadership this Fund will continue to grow and have an impact in the Kansas City Metropolitan area and Western Missouri.

We are very proud of all of our accomplishments in 2007 and we are committed to continuing our role in meeting the housing needs of communities throughout Missouri and Southern Illinois. We know this would not be possible without our investors, developer partners, governmental agencies, state and local officials, lenders and, most importantly, our dedicated staff.

Sincerely,



John J. Wuest  
President and CEO

**We are very proud of all of our accomplishments in 2007 and we are committed to continuing our role in meeting the housing needs of communities throughout Missouri and Southern Illinois.**



## Today's Housing Needs and the Tax Credit Program

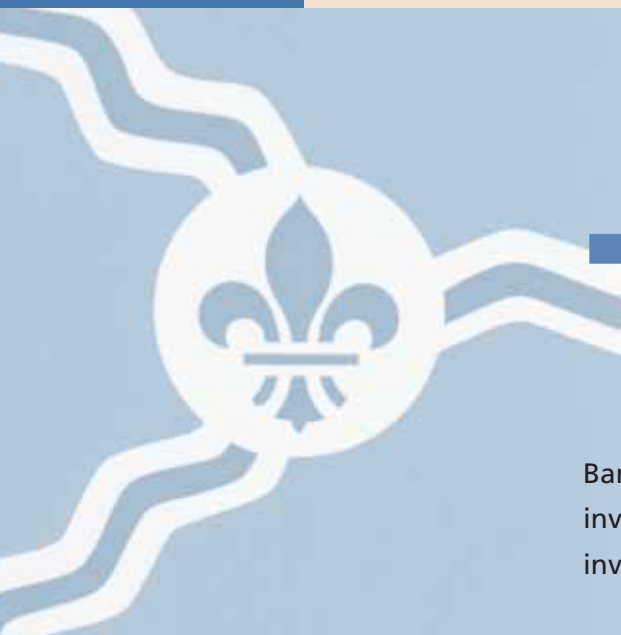
The St. Louis Equity Fund has played a critical role in affordable housing during the past 20 years. It provides long-term solutions for many people who are faced with the challenge of finding safe, affordable housing. The St. Louis Equity Fund raises capital on an annual basis from financial institutions and corporations, and invests this capital in affordable and historic rental housing units by purchasing federal and state tax credits. Approximately 50% of these credits are purchased from not-for-profit general partners who are addressing the most critical housing needs in the many communities that they serve. The tax benefit generated from the purchased tax credits are then allocated to the investors, providing them a market rate of return on their investment. The St. Louis Equity Fund has worked diligently to provide benefits to

investors, residents and area neighborhoods throughout the region. It is our intention to continue to expand our role in this important effort, building on our new initiatives and actively studying additional opportunities to expand our business.

**The St. Louis Equity Fund has played a critical role in affordable housing during the past 20 years.**



*King Louis Square*



**T**he St. Louis Equity Fund continued its success in 2007 by raising \$27,450,000. The 2007 Fund will invest in seven affordable developments, two of which are also historic developments. The Equity Fund is very pleased to announce that Centru Bank, Fifth Third Bank, and Reliance Bank represent new investment in the 2007 Fund. In addition, several existing investors increased their participation in the Fund as well.



St. Louis Equity Fund will continue to recruit new investors and encourages all investors to maintain or increase their participation in 2008. The St. Louis Equity Fund offers an excellent opportunity for businesses to contribute to the community while at the same time providing real returns to investors.

The St. Louis Equity Fund makes it a priority to meet the needs of its developer partners to ensure that each development is viable. Through its Pre-Development Loan Program, the St. Louis Equity Fund provides a funding source to developers of affordable housing and historically significant buildings in the earliest stages of development. This program allows developers and not-for-profit organizations to receive loans up to \$200,000 to cover expenses such as architectural and engineering fees, survey costs, appraisal fees, and acquisition costs.



**The St. Louis Equity Fund offers an excellent opportunity for businesses to contribute to the community while at the same time providing real returns to investors.**

The Equity Fund also provides an electronic database system, Tax Credit Manager, that enables its General Partners to report property level financial information via the internet to St. Louis Equity Fund. This allows the asset management staff to review project financial reports in the same format and compare expenses for similar developments. Tax Credit Manager's proprietary software was completely rebuilt in 2006 and the new version was installed in the 2nd quarter of 2007, adding many new features for the

benefit of St. Louis Equity Fund's partners and investors.

St. Louis Equity Fund looks to its Board of Directors and Committees for direction and advice throughout the year. Management would like to take this opportunity to thank each of our Board and Committee Members for their time and expertise.



**T**HE KANSAS CITY EQUITY FUND established itself in the affordable housing community during 2007 raising \$4,550,000. The investor base is broad and provides a good foundation upon which to build in 2008.



**Erica A. Dokreff**  
President

**Maryann Nieweg**  
Executive Assistant

## KCEF 2007 INVESTORS

Bank Midwest	Metcalf Bank
Commerce Bank	National City CDC
Enterprise Bank and Trust	The PrivateBank
Great Southern Bank	UMB Bank, N.A.
M&I CDC	

The Kansas City Equity Fund made its first investment in 2007, and committed to another investment for the 2007 Fund as well. Kansas City Equity Fund is a proud partner of the Westside Housing Organization in their rehabilitation of 75 units of affordable housing in the historic West Side neighborhood of Kansas City, Missouri.

As its reputation grows, the Kansas City Equity Fund will be the partner of choice for a growing number of affordable housing developers on both sides of the Missouri-Kansas state line. Investors will see the Kansas City Equity Fund as a wise financial investment that not only enhances the community but their stake in it as well.

The Kansas City Equity Fund's investors note that they are pleased to be affiliated with a local fund that is dedicated to focusing on the affordable housing needs of the Kansas City metropolitan area, and the Equity Fund thanks them as it looks forward to greater opportunities in the year ahead.





In October 2007, Westside Apartments became the first investment by the Kansas City Equity Fund. This investment will extend the economic life of 75 affordable apartments and townhomes on Kansas City's historic West Side. The properties include the Nottingham, a 100 year-old building at 20th and Washington, from which residents are afforded a sweeping view of Kansas City's downtown skyline.

Westside Housing Organization, KCEF's partner, was founded in 1973. It is the only community development corporation in Kansas City, Missouri, with a significant focus on the Latino community.



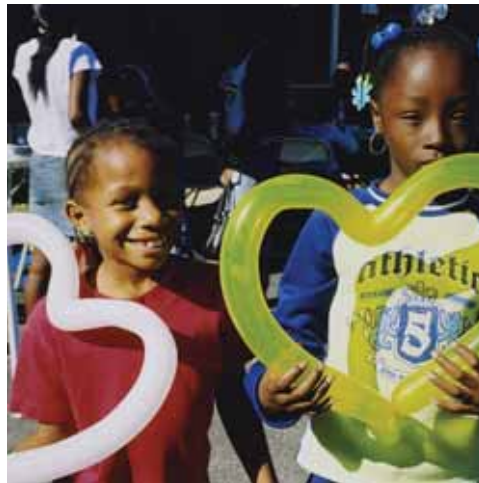
Number of units: 75  
Type of Tax Credit utilized: Federal and State Low Income Housing Tax Credits  
Location: Historic West Side of Kansas City, Missouri  
Developer: Westside Housing Organization  
General Partner: Westside Apts. Assoc., L.P.  
Consultant: LRG Consulting & Development, Inc.  
General Contractor: Straub Construction Company, Inc.  
Architect: Hans Thomas & Associates, LLC  
Permanent Lender: US Bank  
Property Manager: Westside Housing Organization



**Community Asset Management Company continues to fill a niche in the St. Louis rental market.**

**C**ommunity Asset Management Company (CAMCO) continues to fill a niche in the St. Louis rental market by providing professional property management and resident support services for private owners, public investors, and not-for-profit owners. The company was created in 1998 by St. Louis Equity Fund and Beyond Housing with two simple goals in mind: provide property management to area owners of rental housing and provide opportunities to the residents to better their lives through CAMCO's support service programs.

CAMCO provides property management services for 55 different apartment communities totaling more than 1,475 units. CAMCO must be concerned with the physical condition of the neighborhood, closely monitor the financial performance of the development, and connect with the residents to minimize resident turnover.



*CAMCO residents enjoying neighborhood events.*

In addition to property management, CAMCO puts great emphasis on its resident support service programs. In 2007, CAMCO began incorporating "Oprah's Debt Diet" materials into the household budget and credit repair workshops. Through these workshops 111 individuals learned to develop household budgets and 38 residents developed rental payment plans to avoid eviction. In addition to the budget and credit repair workshops, CAMCO's Resident Services Coordinator helped to organize neighborhood safety meetings, open house enrichment parties, emergency utility and rental assistance, and neighborhood events.

CAMCO held its first fundraiser on December 10th, 2007 and it was a great success! This event, "MUSIC TO MY EARS", raised over \$8,000 which will help fund its resident support service programs. By improving the quality and stability of its residents' lives, CAMCO works to improve the quality and stability of our communities.







Frankie Freeman Homes is the second phase of the Ville Estates development and the fourth partnership for Northside Community Housing and the Equity Fund. This development consists of 15 newly constructed three-bedroom homes which will further Northside Community Housing's impact in the Ville Neighborhood.



Number of Units: 15

Type of Tax Credit Utilized: State and Federal Low Income Housing Tax Credits

Location: The Ville Neighborhood - St. Louis City

Developer: Northside Community Housing, Inc.

General Partner: Northside Community Housing IV, LLC

Consultant: The Meyer Company

General Contractor: The Meyer Company

Architect: Curtiss W. Byrne Architect, LLC

Permanent Lender: MHDC

Property Manager: Vatterott Properties



## 2007 Developments

## Kingsway Townhomes



The St. Louis Equity Fund and I-70 Northwest Development Corp. have partnered for a third time to successfully develop an additional 12 units in the Kingsway West Neighborhood. This development consists of three buildings: two five-unit buildings and one duplex. They will contain a total of ten two-bedroom units and two three-bedroom units.



Number of Units: 12

Type of Tax Credit Utilized:  
State and Federal Low Income Housing Tax Credits

Location: Kingsway West Neighborhood -  
St. Louis City

Developer: I-70 Northwest Development Corporation

General Partner: Kingsway Townhomes GP, LLC

Consultant: Urban Real Estate Consultants

General Contractor: R.G. Ross Construction Co.

Architect: Grice Group Architects

Property Manager: CAMCO





## 2007 Developments

## Lucas and Hunt Heights



Lucas and Hunt Heights is the third investment that the St. Louis Equity Fund has made in the Village of Hillsdale. This development adds 20 three-bedroom affordable homes to the Equity Fund's effort in this neighborhood, bringing the total number of units developed in Hillsdale to 50.



Number of Units: 20

Type of Tax Credit Utilized:

State and Federal Low Income Housing Tax Credits

Location: The Village of Hillsdale - St. Louis County

Developer: Housing Revitalization Consultants Corp.

General Partner: Housing Revitalization, Inc.

Consultant: The Meyer Company

General Contractor: The Meyer Company

Architect: Curtiss W. Byrne Architect, LLC

Permanent Lender: MHDC

Property Manager: CAMCO





## 2007 Developments

## Mary Louise Estates



Mary Louise Estates is a 20 unit single-family home development and is the third phase of Pagedale Homes which, when completed, will consist of 55 single family homes. This is the 14th development which Beyond Housing/Neighborhood Housing Services and the Equity Fund have developed together.



Number of Units: 20  
Type of Tax Credit Utilized:  
State and Federal Low Income  
Housing Tax Credits  
Location: Pagedale -  
St. Louis County  
Developer: Beyond Housing/  
Neighborhood Housing Services  
General Partner: MLE GP, LLC  
Consultant: The Meyer Company  
General Contractor:  
The Meyer Company  
Architect: Art & Architecture  
Permanent Lender: MHDC  
Property Manager:  
Beyond Housing/NHS





Park Avenue Apartments is a two building, 36 unit development located in the City of St. Louis approximately 1000 feet from Cardinal Glennon Children's Hospital and the Saint Louis University Medical Center. This development is an historic rehabilitation that will create six one-bedroom apartments and 30 two-bedroom apartments.



Number of Units: 36

Type of Tax Credit Utilized: Federal Historic Tax Credits

Location: Tiffany Neighborhood - St. Louis City

Developer: The Meyer Company

General Partner: Park-Tiffany MT GP, LLC

Consultant: The Meyer Company

General Contractor: The Meyer Company

Architect: The St. Louis Design Alliance

Permanent Lender: St. Louis Bank

Property Manager: Rodemyer Christel, Inc.





Rosati House is a part of the comprehensive and innovative “Housing First” approach to ending chronic homelessness. St. Patrick Center, along with the Department of Housing and Urban Development, has created a model that is designed to end chronic homelessness for its participants and serve as a model for other communities. The Rosati House development consists of new construction of two three-story sections of a single building which will create 26 units of affordable housing financed with Low Income Housing Tax Credits. In addition, there is a significant amount of space for providing a comprehensive array of social services to the residents.



Number of Units: 26  
Type of Tax Credit Utilized:  
State and Federal Low Income  
Housing Tax Credits  
Location: Fairgrounds Park  
Neighborhood - St. Louis City  
Developer: St. Patrick Center

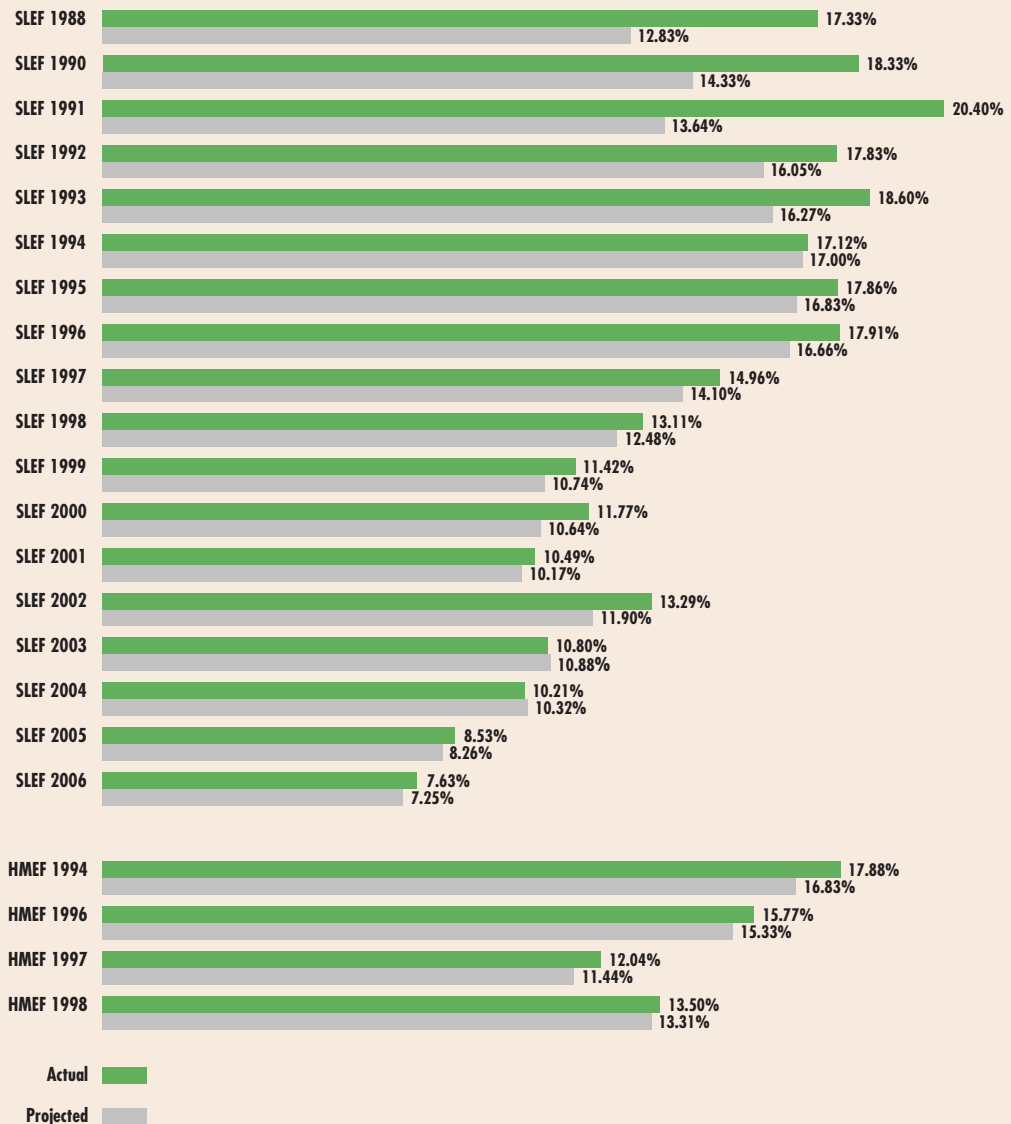
General Partner: Rosati Center  
Consultant: Community Program  
Development Corp.  
General Contractor: BSI Construction Co.  
Architect: Trivers Associates  
Property Manager: CAMCO



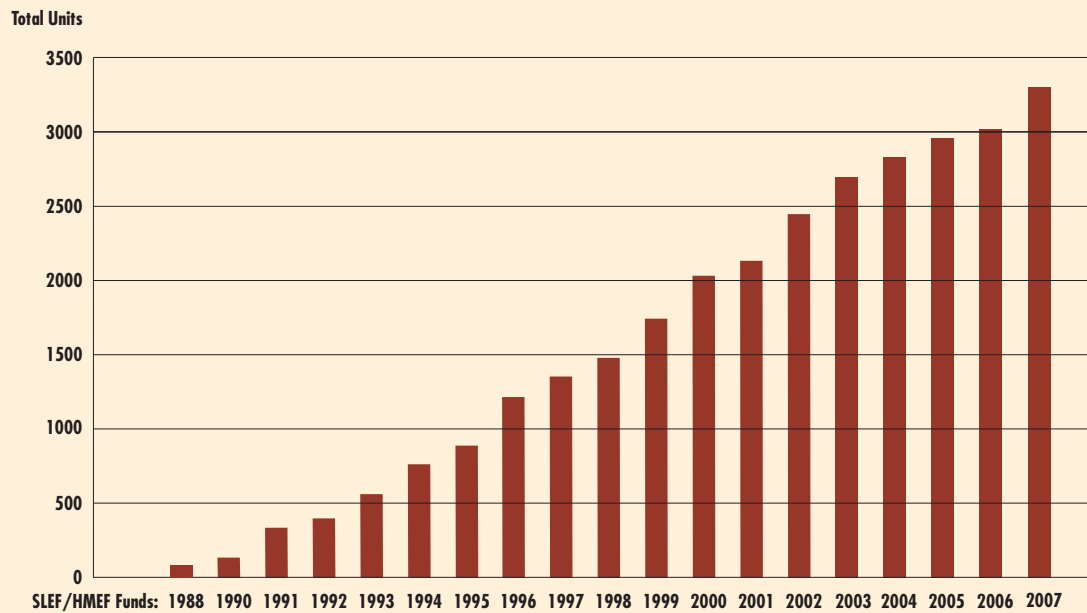


The St. Louis Equity Fund works diligently to provide its Investors with a positive financial return on their investments while at the same time contributing to the community through affordable housing developments and neighborhood revitalization. With a solid track record behind it and a comprehensive strategic plan for the future, St. Louis Equity Fund promises to remain a strong leader in affordable housing for many years to come.

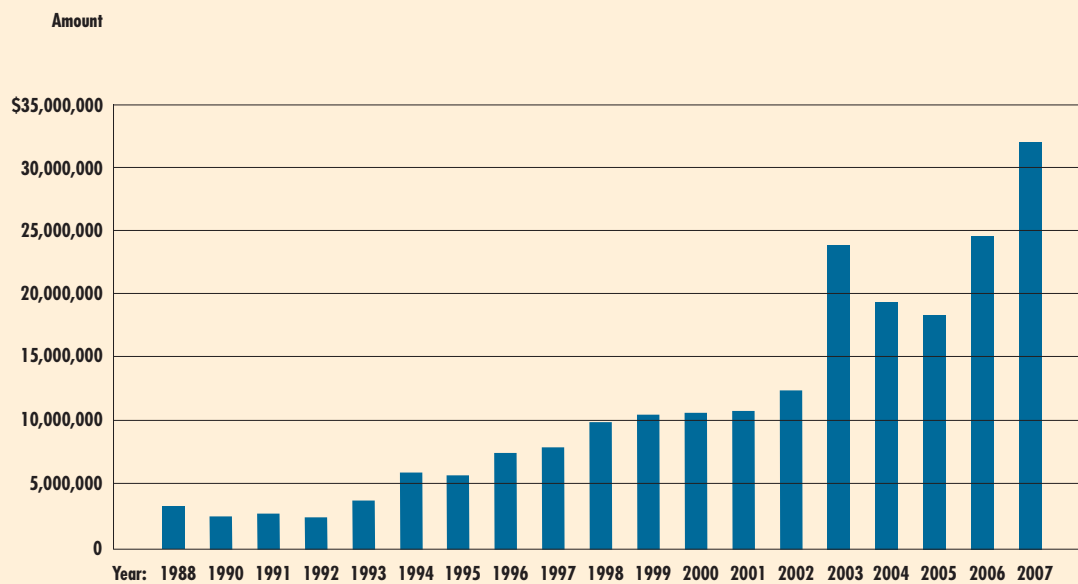
#### ACTUAL RETURN VS. PROJECTED RETURN



## PORTFOLIO GROWTH 1988–2007



## EQUITY RAISED 1988–2007



Graph reflects the cumulative investments of the St. Louis Equity Funds, Housing Missouri Equity Funds, Kansas City Equity Fund and the State Credit Funds from 1988 through 2007.

## St. Louis Equity Fund, Inc. Board and Committee Members

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*The Laclede Group, Inc.*

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Jennifer Kelly-Saeger  
*Bank of America*

Dan Kraus  
*Anheuser-Busch Companies*

David Minton  
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Tom Reeves  
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Vihar Sheth  
*US Bancorp CDC*

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*St. Louis Equity Fund, Inc.*

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Vihar Sheth  
*US Bancorp CDC*

Glennon Thebeau  
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John J. Wuest  
*St. Louis Equity Fund, Inc.*

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*First Bank*

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Glennon Thebeau  
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*Boulevard Bank*

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Joseph Garea  
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Bob Vieth  
*UMB Bank, N.A.*







**ST. LOUIS EQUITY FUND BOARD OF DIRECTORS:**

*Front row from left: Glen Thebeau, Jennifer Kelly-Saeger, John Wuest, Vihar Sheth*

*Back row from left: Reggie Scott, John Castagno, Dan Kraus, David Minton, Bill Gamewell, Sanford Scott, Tom Reeves*

*Not pictured: Tom Wilcox, Chris Baker, Bob Vieth*

## St. Louis Equity Fund Investors (1988 – 2007)

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 Anheuser-Busch Companies, Inc.  
 Aquila, Inc.  
 Bank of America, N.A.  
 The Boeing Company  
 Boulevard Bank  
 The Business Bank of St. Louis  
 Cass Commercial Bank  
 Centene Corporation  
 Centruze Bank  
 CIPSCO  
 Citizens National Bank of Greater St. Louis  
 Commerce Bank, N.A.  
 CPI Corp.  
 Emerson Electric Co.  
 Enterprise Bank & Trust  
 Exchange National Bank of Jefferson City  
 Fannie Mae  
 Fifth Third Bank CDC  
 First Bank  
 First National Bank of St. Louis  
 General Dynamics Corporation  
 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.  
 M & I Community Development Corp.  
 Macy's  
 Metropolitan Life Insurance Company  
 Monsanto Company  
 National City CDC  
 Nestlé Purina Pet Care  
 Peoples National Bank  
 The PrivateBank  
 Pulaski Bank  
 Pulitzer, Inc.  
 Regions Bank  
 The Reliable Life Insurance Company  
 Reliance Bank  
 Southwest Bank of St. Louis  
 St. Louis Bank  
 St. Johns Bank and Trust Company  
 UMB Bank, N.A.  
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## General Partners (1988-2007)

Donald R. Becker  
 Belle Glade Associates, L.L.C.  
 Beyond Housing/  
 Neighborhood Housing Services  
 BLC Properties, LLC  
 BiPolar Development, LLC  
 Luther Boykins  
 Business Research Institute (BRI)  
 Carondelet Community Betterment Federation  
 Coronado Leasing, L.L.C.  
 DeSales Community Housing Association  
 DMCS Corporation  
 Failoni Consultants  
 Gabel Properties  
 Goodfellow Apartments, Inc.  
 Hamilton Heights Neighborhood Organization  
 Hillsdale Homes Corporation  
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 Housing Solutions  
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 Intercommunity Housing Association  
 JVL Renaissance, Inc.  
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 Lister II, LLC  
 Maplewood Housing Corporation  
 Metropolitan Investment Properties, Inc.  
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 Mid-Missouri Development Company, Inc.  
 Neighborhood Holdings, LLC  
 North Newstead Association  
 Northeast Community Action Corporation  
 Northside Community Housing  
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 Parkview Gardens Association  
 Patton Development Corporation  
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 Milton D. Rothschild  
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 Alan Rudroff  
 The Siedlund Company  
 St. Louis Public Development  
 Corporation X  
 St. Patrick Center  
 Smile GP, LLC  
 Sunset Development, LLC  
 Tyco Realty  
 Tyler Development, Inc.  
 Richard Wagner  
 Patrick Werner  
 West Florissant-Carrie, LLC  
 WireWorks Lofts, LLC

## Professional Consultants (2007)

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RubinBrown  
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*Asset Manager –  
Financial Reporting*



**(front row, from left) Marty Knobloch, Amy McDermott,  
John Wuest, Abram Whitehead, Colleen Kirby.  
(back row, from left) John Kennedy, Jim Mader, Stan  
Jones, Matthew Nordmann, Eldina Qirici, Chris Clark.**

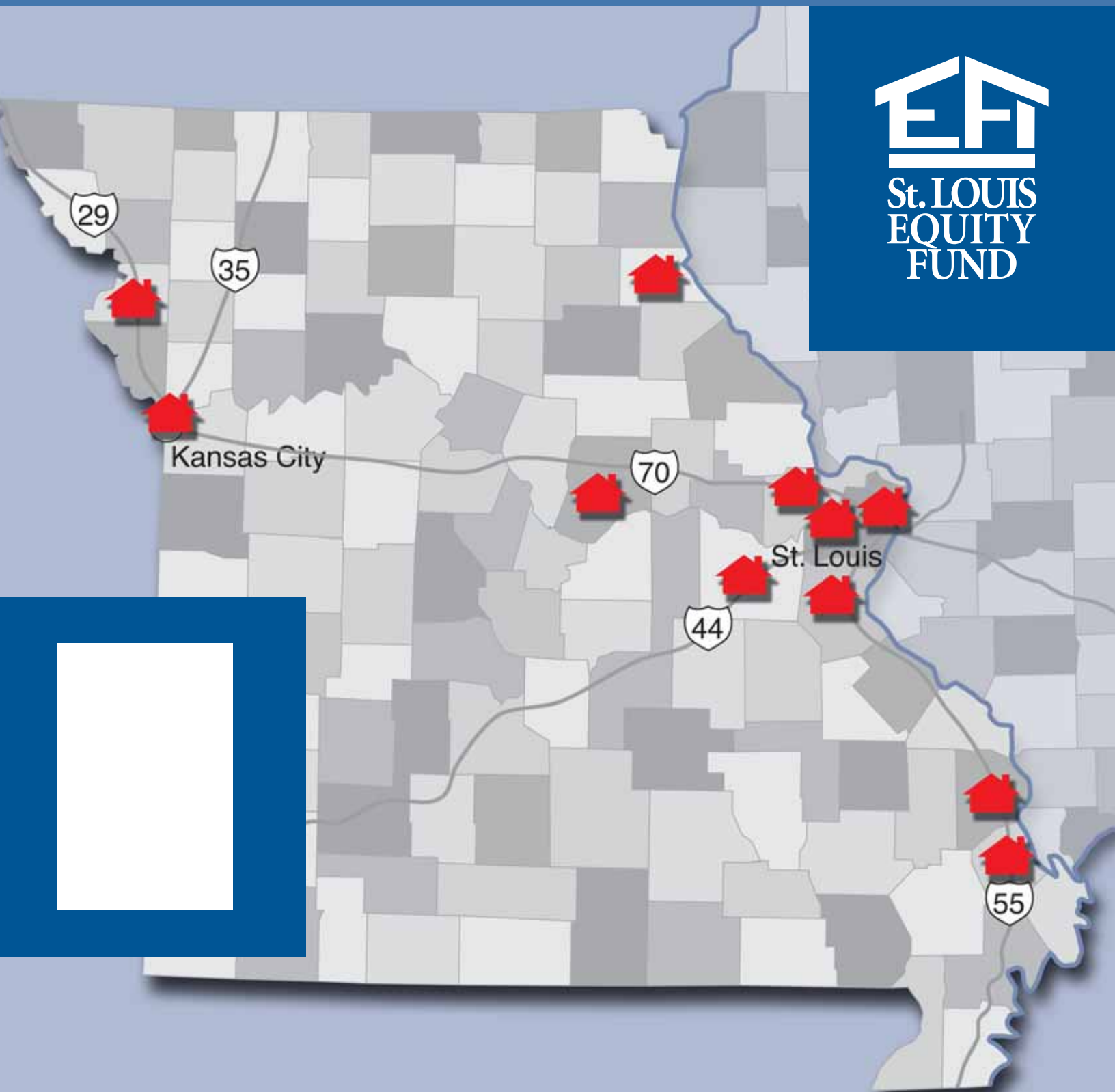
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