

# 2005 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.



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*Staff*





During 2005 the leadership of the St. Louis Equity Fund, Inc. (SLEFI) changed. After 17 plus years of effective leadership, Timothy Barry retired and I was elected President and Chief Executive Officer.

One of my first priorities was to initiate a formalized strategic planning process which commenced during the third quarter. The process is being facilitated by Collaborative Strategies with a good cross section of Board Members and staff participating. One of the key initiatives identified is a major reconstructing of the governance of the organization. This change is expected to be implemented during the first quarter of 2006. The plan also contains an initiative calling for geographic expansion including Kansas City. This plan will continue to be developed and implemented in 2006.

During 2005, SLEFI raised over \$18 million from our investor group and invested those funds in four affordable housing developments. This brings the total number of housing units created since the inception of the Fund to nearly 2,900 units.

Looking forward to 2006 and beyond, we have in place a highly qualified and effective team who will insure that SLEFI continues to fulfill its Mission in an efficient and professional manner. As always we would like to thank our investors, developer partners, government agencies and officials, lenders and all those who participate with us in making investments that build communities and change lives.

Very Truly Yours,



John J. Wuest

President/CEO

## Today's Housing Needs

St. Louis Equity Fund has played a critical role in creating affordable housing during the past 18 years. We provide long-term solutions for many people who are faced with the challenge of finding decent, affordable housing. The annual salary for many police officers, firefighters, teachers, and administrative assistants is well

below the tax credit income limit, which for a family of four is \$39,540. As the need for work force housing continues to grow, the St. Louis Equity Fund will be there to assist in meeting the demand.

*Coronado Place • 165 units*



*A young Ville Estates resident works on homework in her family's new home.*

## What is St. Louis Equity Fund, Inc.?

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. Since 1988, the St. Louis Equity Fund has facilitated the raising of more than \$157 million of capital which has been invested in approximately 2,900 housing units with a total development cost of \$307 million.



*Ruskin Town Homes • 14 units*

*King Louis Square II • 148 units*





For 18 years, St. Louis Equity Fund has worked diligently to provide benefits to investors, residents and area neighborhoods throughout the region. Benefits arise from St. Louis Equity Fund's financing of the construction and renovation of quality, affordable housing throughout St. Louis and the state of Missouri.



*2006 St. Louis Equity Fund Board of Directors meeting. Back row, left to right: John Castagno, Anheuser Busch; Dave Puricelli, Bank of America; Bob Vieth, UMB Bank; D.J. Gidionsen, The Business Bank; William Gamewell, Commerce Bank; Thomas Wilcox, SLEFI Chairman, Southwest Bank; Steve Kramer, US Bancorp CDC. Front row, left to right: Reginald Scott, National City Bank; Chris Baker, Laclede Gas; John Wuest, SLEFI; Don Williams, Heartland Bank; Glennon Thebeau, Ameren UE. Not pictured: Clifton Berry, Fannie Mae; Sanford Scott, The PrivateBank.*

In addition to making a financial investment, the investors also make a serious investment of their time and talents to the governance of the St. Louis Equity Fund. Whether through serving on the Board of Directors or serving on one of the four standing Committees of the Board, this group of experienced, thoughtful professionals provide the guidance and insight to ensure the safe and sound operation of the Funds.



*FP San Remo • 75 units*



## Community Asset Management Company

During 2005, George Robnett was elected President and CEO of Community Asset Management Company (CAMCO). George brings a depth of experience in real estate and property management to this position. He has initiated a strategic planning process which will help him and his team focus on its opportunities and identify key initiatives to take full advantage of these opportunities.



*George Robnett,  
President and  
CEO of CAMCO*

Established in 1998 by St. Louis Equity Fund and Beyond Housing, CAMCO provides professional property management services in the St. Louis metropolitan area. Its first and foremost responsibility is to ensure the long-term viability of the properties it manages. To do this, CAMCO must be concerned about the physical condition of the neighborhood, minimize resident turnover and closely monitor the financial performance of the investment. Partnering with owners and investors, CAMCO uses its expertise and experience to find viable solutions and provide "added value" to every project.



Community Asset Management Company manages a portfolio of over 1,300 units in 45 different apartment communities. The communities consist of scattered sites, mixed-use high-rises, and traditional multi-unit buildings, which range in size from 6 to 164 units. The firm manages properties for not-for-profit organizations, private owners and public investors.

CAMCO is a 501(c)3 organization. As a not-for-profit, it attempts to enrich and enhance the lives of its residents through the coordination and/or provision of a range of social services. By improving the quality and stability of its residents' lives, CAMCO hopes to improve the quality and stability of our communities.



*CAMCO corporate office staff  
Back row left to right: Donna Copeland;  
Gertrude Sanders; George Robnett, President;  
Lisa Essary; Angela Lewis; Paula Gaertner.  
Front Row left to right: Cathy Slover;  
Patti Stewart; Carey Bell*



*A resident enjoys the  
festivities at a CAMCO  
Open House.*



## North Newstead IV

North Newstead Association and St. Louis Equity Fund partnered a fourth time to develop North Newstead IV, a fourteen unit scattered site development located in the North Newstead neighborhood.

This neighborhood has enjoyed previous investments by SLEFI and North Newstead Association which include 50 homes and New Vision Child Development Center, an early childhood facility which was developed in part through a SLEFI donation. Community Asset Management Company manages the housing developments, and has held financial budgeting workshops, provided emergency rental and utility assistance, and individual in-home financial training to the residents.



**Quick Facts** • *Number of Units: 14* • *Type of Tax Credit Utilized: State and Federal Low Income Housing Tax Credit* • *Location: North St. Louis City* • *Developer: North Newstead Association* • *General Partner: West Florissant-Carrie, LLC* • *Consultant: Regional Housing and Community Development Alliance* • *General Contractor: RG Ross Construction Company* • *Architect: Grice Group Architects* • *Permanent Lender: Commerce Bank* • *Property Manager: Community Asset Management Company*





## Salisbury Park

Better Living Communities (BLC) partnered with SLEFI and M&I Community Development Corp. to develop the Salisbury Park Townhouses, an affordable housing development located in the Hyde Park neighborhood of St. Louis. The development provides 16 affordable homes through a mix of newly constructed duplexes and single-family units.

BLC is a not-for-profit organization whose mission is to foster community development in the Hyde Park neighborhood of north St. Louis, and to provide quality affordable housing to families in that neighborhood. BLC was formed with support and backing from Bethlehem Lutheran Church, which has been a fixture in the neighborhood for over 150



years. Salisbury Park Townhouses will serve as a catalyst for additional development in the area, some of which is already underway.

SLEF 2005 invested in this development along with M&I Community Development Corp. as Co-Limited Partner.

**Quick Facts** *Number of Units: 16 • Type of Tax Credit Utilized: State and Federal Low Income Housing Tax Credit • Location: Hyde Park-St. Louis City • Developer: Better Living Communities • General Partner: BLC Properties, LLC • Consultant: ND Consulting • General Contractor: EM Harris Construction Co./Contempri Homes • Architect: Garen Miller • Permanent Lender: Lutheran Church Extension Fund • Property Manager: Community Asset Management Company*





## State Street Apartments

State Street Apartments is the fifth partnership between SLEFI and DeSales Community Housing Corporation, and brings the total number of homes developed together to 95. State Street Apartments consists of seven buildings which were rehabilitated into 14 affordable homes.

DeSales Community Housing Corporation was founded in 1976 by members of the Fox Park and Tower Grove East neighborhoods. Since that time, the Company has generated approximately \$45 million worth of development in these neighborhoods. DeSales Community Housing Corporation founded Fox Grove Management in 2005 to manage its port-



folio. Executive Director Tom Pickel oversees both organizations with the guidance of the DeSales Community Housing Corporation's Board of Directors.

**Quick Facts** • *Number of Units: 14* • *Type of Tax Credit Utilized: State and Federal Low Income Housing Tax Credit* • *Location: Fox Park/Tower Grove East-St. Louis City* • *Developer: DeSales Community Housing Corporation* • *General Partner: Neighborhood Holdings, LLC* • *Consultant: ND Consulting* • *General Contractor: EM Harris Construction Co.* • *Architect: Heine and Croghan* • *Permanent Lender: Southwest Bank* • *Property Manager: Fox Grove Management*

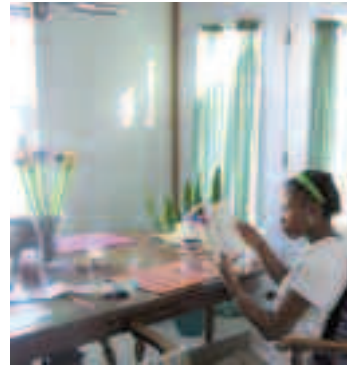




## Ville Estates

Ville Estates lies one block west of a previous SLEFI/Northside Community Housing development, Msgr. Shocklee Homes, in The Ville Neighborhood. These two blocks were home to many derelict and vacant buildings until Northside Community Housing took the initiative to turn this area around.

Ville Estates is the third development on which SLEFI and Northside Community Housing have partnered. This development is comprised of 12 newly constructed single family homes. In addition to the development of affordable housing, Northside Community Housing is very involved with the community it serves. They have partnered with



Justine Petersen Housing and Reinvestment Corporation to encourage their residents to consider and prepare for homeownership, by offering free financial counseling and Individual Development Accounts.

**Quick Facts** *Number of Units: 12 • Type of Tax Credit Utilized: State and Federal Low Income Housing Tax Credit • Location: The Ville Neighborhood-St. Louis City • Developer: Northside Community Housing, Inc. • General Partner: Northside Community Housing III, LLC • Consultant: The Meyer Co. • General Contractor: The Meyer Co. • Architect: Curtiss W. Byrne Architect, L.L.C. • Permanent Lender: Missouri Housing Development Commission • Property Manager: Vatterott Properties, Inc.*



# Investment Summary

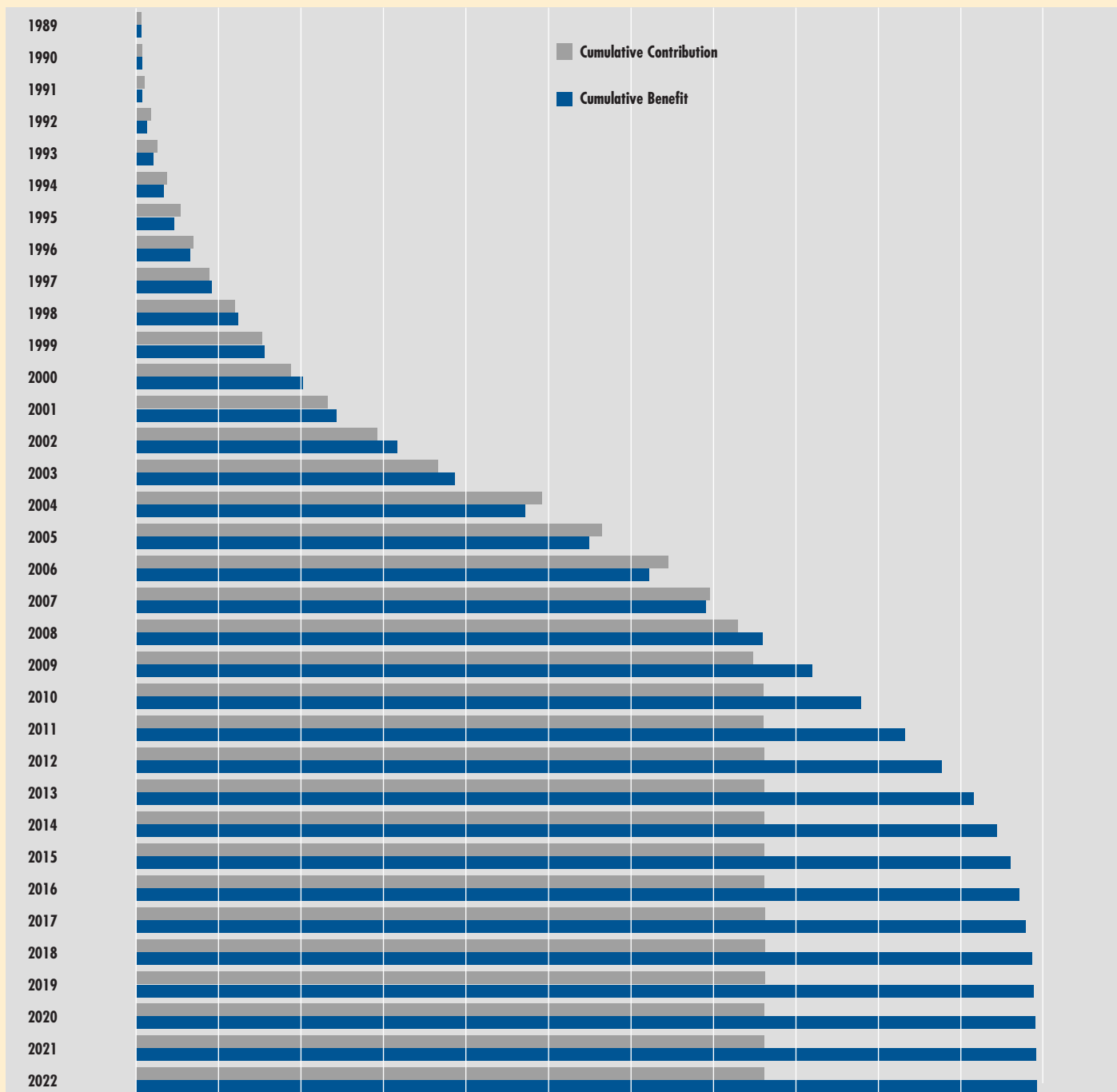


## St. Louis and Housing Missouri Equity Funds 1988, 1990-2005

Year	Capital Contribution	Cumulative Contribution	Tax Loss	Federal Low Income Housing Tax Credit	State Low Income Housing Tax Credit	Federal Rehabilitation Tax Credit	State Rehabilitation Tax Credit	Cash	Annual Benefit (1)	Estimated Cumulative Benefit	Estimated Net Benefit	Estimated Cumulative Net Benefit
1989	\$424,000	\$424,000	(\$183,011)	\$25,530	\$3,459	\$0	\$0	\$0	\$93,697	\$93,697	(\$330,303)	(\$330,303)
1990	678,604	1,102,604	(262,726)	149,786	20,293	183,208	0	0	440,969	534,666	(237,635)	(567,938)
1991	1,069,107	2,171,711	(512,618)	425,980	62,906	6,393	0	0	658,434	1,193,100	(410,673)	(978,611)
1992	1,510,221	3,681,932	(966,320)	758,455	151,691	229,157	0	0	1,435,604	2,628,704	(74,617)	(1,053,228)
1993	1,870,651	5,552,583	(1,094,115)	1,077,246	215,449	50,929	0	6,999	1,671,252	4,299,956	(199,399)	(1,252,627)
1994	2,296,569	7,849,152	(1,420,281)	1,439,557	254,484	204,836	0	6,499	2,344,356	6,644,312	47,787	(1,204,840)
1995	2,909,765	10,758,917	(1,780,755)	1,631,556	288,355	122,551	0	19,667	2,622,968	9,267,279	(286,797)	(1,491,638)
1996	3,115,361	13,874,278	(2,510,263)	2,268,623	451,360	225,506	0	22,238	3,743,062	13,010,341	627,701	(863,937)
1997	4,003,688	17,877,966	(3,415,335)	3,016,149	702,869	388,521	0	112,296	5,244,534	18,254,876	1,240,846	376,910
1998	5,996,075	23,874,041	(3,489,801)	3,928,049	1,101,576	373,686	306,634	131,158	6,653,538	24,908,414	657,463	1,034,373
1999	7,111,712	30,985,753	(4,301,277)	4,765,251	1,509,015	0	0	0	7,352,673	32,261,087	240,961	1,275,334
2000	6,881,757	37,867,510	(5,010,992)	5,011,770	2,105,318	0	0	0	8,255,347	40,516,434	1,373,590	2,648,924
2001	8,892,253	46,759,763	(5,061,013)	5,191,683	2,182,313	684,072	0	57,359	9,246,016	49,762,450	353,763	3,002,687
2002	11,533,039	58,292,802	(6,176,523)	5,755,928	3,017,309	3,426,402	344,647	58,316	13,744,850	63,507,300	2,211,811	5,214,497
2003	14,799,331	73,092,134	(7,291,478)	6,106,329	3,662,855	2,143,588	339,059	128,427	13,717,454	77,224,754	(1,081,877)	4,132,620
2004	25,441,574	98,533,708	(11,168,174)	7,069,684	4,867,159	1,428,486	0	1,429,072	17,271,792	94,496,546	(8,169,782)	(4,037,162)
2005	14,051,920	112,585,627	(8,333,012)	8,214,716	5,646,531	32,700	0	46,451	15,103,792	109,600,338	1,051,872	(2,985,289)
2006	16,481,543	129,067,170	(6,172,438)	8,255,258	6,153,608	0	0	120,391	14,720,832	124,321,170	(1,760,711)	(4,746,000)
2007	10,520,049	139,587,220	(5,778,093)	7,806,306	6,177,971	0	0	199,742	14,221,404	138,542,574	3,701,355	(1,044,646)
2008	6,175,824	145,763,044	(5,291,202)	7,203,295	6,084,854	0	0	187,223	13,364,267	151,906,840	7,188,442	6,143,796
2009	3,981,651	149,744,695	(4,850,999)	6,438,369	5,809,678	0	0	72,474	12,140,100	164,046,940	8,158,449	14,302,246
2010	2,232,796	151,977,490	(4,704,931)	6,131,125	5,533,456	0	0	278,060	11,802,090	175,849,031	9,569,295	23,871,540
2011	524,587	152,502,077	(4,626,651)	5,642,392	5,044,603	0	0	0	10,683,691	186,532,721	10,159,104	34,030,644
2012	171,655	152,673,732	(4,068,071)	4,753,024	4,154,538	0	0	0	9,000,206	195,532,927	8,828,551	42,859,195
2013	0	152,673,732	(3,731,132)	4,004,545	3,405,193	0	0	0	7,632,491	203,165,418	7,632,491	50,491,686
2014	0	152,673,732	(3,501,099)	2,728,239	2,197,036	0	0	0	5,473,690	208,639,108	5,473,690	55,965,375
2015	0	152,673,732	(3,315,142)	1,382,283	1,379,314	0	0	0	3,519,233	212,158,340	3,519,233	59,484,608
2016	0	152,673,732	(2,876,293)	693,269	693,379	0	0	0	2,215,128	214,373,468	2,215,128	61,699,736
2017	0	152,673,732	(2,524,483)	407,994	408,076	0	0	0	1,611,383	215,984,851	1,611,383	63,311,119
2018	0	152,673,732	(2,475,060)	101,999	102,019	0	0	0	1,085,103	217,069,954	1,085,103	64,396,222
2019	0	152,673,732	(2,050,740)	0	0	0	0	0	758,774	217,828,728	758,774	65,154,996
2020	0	152,673,732	(809,198)	0	0	0	0	0	299,403	218,128,131	299,403	65,454,399
2021	0	152,673,732	(415,786)	0	0	0	0	0	153,841	218,281,972	153,841	65,608,240
2022	0	152,673,732	(222,404)	0	0	0	0	0	82,289	218,364,262	82,289	65,690,530
<b>TOTAL</b>	<b>\$152,673,732</b>		<b>(\$120,391,417)</b>	<b>\$112,384,389</b>	<b>\$73,386,671</b>	<b>\$9,500,036</b>	<b>\$990,340</b>	<b>\$2,876,374</b>	<b>\$218,364,262</b>		<b>\$65,690,530</b>	

(1) The Estimated Annual Benefit column is adjusted to reflect the impact the State Credit may have upon Federal Income Taxes of investors.

Year



Millions \$0 \$20 \$40 \$60 \$80 \$100 \$120 \$140 \$160 \$180 \$200 \$220

Data from 1989-2005 depicts actual results, and data from 2006-2022 depicts projected results. The above financial information is presented only as a summary

of the investments made by the St. Louis Equity Funds and the Housing Missouri Equity Funds, and should not be relied upon for purposes of making an investment decision.

## St. Louis Equity Fund Investors (1988 – 2005)

Ameren Corporation	Jefferson Bank and Trust Company
Anheuser-Busch Companies, Inc.	Kansas City Life Insurance Company
Aquila, Inc.	KLT Investments, Inc.
Bank of America, N.A.	The Laclede Group
The Boeing Company	Lindell Bank & Trust Co.
Boulevard Bank	Mallinckrodt Inc.
The Business Bank of St. Louis	M & I Community Development Corp.
Cass Commercial Bank	The May Department Stores Company
CIPSCO	Metropolitan Life Insurance Company
Citizens National Bank of Greater St. Louis	Missouri State Bank & Trust Company
Commerce Bank, N.A.	Monsanto Company
CPI Corp.	National City Bank
Emerson Electric Co.	Nestlé Purina Pet Care
Enterprise Bank & Trust	The PrivateBank
Exchange National Bank of Jefferson City	Pulitzer Inc.
Fannie Mae	Regions Bank
First Bank	The Reliable Life Insurance Company
First National Bank of St. Louis	Southwest Bank of St. Louis
General Dynamics Corporation	St. Johns Bank and Trust Company
Heartland Bank	UMB Bank
INDEECO	US Bancorp CDC
Irwin Union Bank	

## St. Louis Equity Fund, Inc. 2005 Board of Directors

Thomas E. Wilcox, Chairman\*  
*Southwest Bank of St. Louis*

Clifton Berry, Vice President\*  
*Fannie Mae*

Elizabeth Stohr, Vice President\*  
*US Bancorp CDC*

John D. Castagno, Treasurer/Secretary\*  
*Anheuser-Busch Companies, Inc.*

Lindsay Alsop  
*Regions Bank*

Christopher C. Baker\*  
*The Laclede Group*

Mitchell Baris  
*Enterprise Bank & Trust*

David W. Bentele  
*Citizens National Bank of Greater St. Louis*

Kevin Berryman  
*Nestlé Purina Pet Care*

Eric H. Brunngraber  
*Cass Commercial Bank*

Matt Fagin  
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Dave Puricelli\*  
*Bank of America, N.A.*

James A. Saitz  
*Missouri State Bank & Trust Company*

Reginald Scott\*  
*National City Bank*

Sanford Scott  
*The PrivateBank*

Glennon Thebeau\*  
*Ameren Corporation*

Robert Vieth  
*UMB Bank*

Don Williams  
*Heartland Bank*

\* Executive Committee Members



## General Partners (1988-2005)

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  
Housing Revitalization, Inc.  
Housing Solutions  
I-70 Northwest Development Corp.  
Intercommunity Housing Association  
JVL Renaissance, Inc.  
Kohner Properties  
Lister II, LLC  
Maplewood Housing Corporation  
Metropolitan Investment Properties, Inc.  
The Meyer Company  
Mid-Missouri Development Company, Inc  
Neighborhood Holdings, LLC  
North Newstead Association  
Northeast Community Action Corporation  
Northside Community Center  
Northside Community Housing III, LLC  
Ken Nuernberger  
Forrest D. Nye  
Parkside Development Corporation  
Parkview Gardens Association  
Patton Development Corporation  
Peter & Paul Housing Corporation  
Pruitt-Igoe Development Corporation  
PIC, Incorporated  
Jon M. Pyzyk  
Robert Wood  
Milton D. Rothschild  
Rudman Building GP, LLC  
Alan Rudroff  
The Siedlund Company  
St. Louis Public Development Corporation X  
Smile GP, LLC  
Sunset Development , LLC  
Tyco Realty  
Tyler Development, Inc.  
Richard Wagner  
Patrick Werner  
West Florissant-Carrie, LLC  
WireWorks Lofts, LLC

## Professional Consultants (2005)

The Stolar Partnership  
*Attorneys at Law*  
RubinBrown  
*Certified Public Accountants*

## Tim Barry retires after a distinguished career with the St. Louis Equity Fund

The Investors, Partners and staff would like to take this opportunity to thank Tim for his many contributions to the St. Louis Equity Fund. Through his tireless efforts he leveraged a \$75,000 grant from Civic Progress to a highly successful Equity Fund which has raised over \$157 million, creating over \$307 million of investments in housing throughout the State of Missouri. He has built a solid foundation on which to grow the Fund in the future. Congratulations, Tim, on a job well done!



*Guests enjoyed a reception to celebrate Tim Barry's retirement.*



# St. Louis Equity Fund Staff



**John J. Wuest**  
President and CEO



**John F. Kennedy**  
Vice President and CFO



**Martin T. Knobloch**  
Senior Asset Manager



**Amy P. McDermott**  
Director of Operations



**Matthew G. Nordmann**  
Senior Investment Acquisition Officer



**Stanley L. Jones**  
Director of Construction  
Management



**Caryn Ulsas**  
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**Glenn Warnecke, CPA**  
Accounting Manager



**Jim D. Mader**  
Office Administrator



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Assistant

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EQUITY  
FUND

*Investments  
building  
communities*

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