

DeSales Community Housing Would like to thank the following companies
for their generous support of our actiivtes:

Abbey Heating & Cooling
Affordable Housing Trust Fund
AT&T
Bellon Wrecking and Salvage Co.
Brake Landscaping
City of St. Louis
Commerce Bank
Community Development Administration
Daniel & Henry
E.M. Harris Construction Company
Enterprise Foundation
Failoni Consultants R.E.
Hoffman Brothers Heating and cooling
Jefferson Bank
Johnson Lawn Service
Missouri Botanical Garden
National City Bank
Opus Northwest, LLC
Regional Housing and Community Development Alliance
RubinBrown
St. Louis Equity Fund
Southwest Bank
Spencer Fane Britt & Browne, LLP
Ultra Finish Painting
UMB
US Bank



DeSales
COMMUNITY
♦ HOUSING ♦
CORPORATION

DeSales Community Housing Corporation
2759 Russell Blvd.
St. Louis, MO 63104

Phone: (314) 776-5444
www.desaleshousing.com

DESALES COMMUNITY HOUSING CORPORATION

NOVEMBER 1, 2010

2009 ANNUAL REPORT

2759 RUSSELL BLVD.
ST. LOUIS, MO 63104

WWW.DESALESHOUSING.COM

Good news, bad news. Half empty, half full. As I look back over the past two years and reflect on our work at DeSales Community Housing Corporation, these are the impressions that come to mind.

affected to the degree that other parts of the metropolitan area have been.

This confirms my long-held belief that neighborhoods such as Fox Park and Tower Grove East have achieved a level of sustainability that can weather a market downturn, even one as bad as this. That is all good news.

Without question these are very difficult times. Our country is still mired in its worst recession in 80 years. The real estate market is down dramatically from its peak in 2007 and foreclosures are running at all time highs. Thousands of individuals and businesses have felt the pain of unemployment or bankruptcy.

While the economy and financial markets have constrained new development, here at DeSales we have focused our efforts on the things we can control. We have worked to strengthen our property management company, Fox Grove Management, to better serve our own properties and to take on future management business. We have placed renewed focus on public engagement with our annual community meeting. We have worked to get new projects ready to go once economic conditions improve.

Still, there is encouraging news. A new President has changed the approach in Washington. Among other things he has brought renewed attention to our nation's cities. The federal government, through special economic stimulus programs, has directed increased resources to the issues of housing and urban infrastructure. As I write this there are tentative signs that the recession may be easing.

All of these things are investments that will provide a return for our organization well into the future. We look forward to it with the optimism that has motivated DeSales for 33 years.

Closer to home, I have been impressed with the resiliency of the neighborhoods we serve, Fox Park and Tower Grove East. Property values are certainly down from their 2007 peaks, but that is true everywhere and real estate experts inform us that many city neighborhoods have not been

Thank you for taking a little bit of your time to review this report. Best wishes from everyone at DeSales!

Tom Pickel
Executive Director

2009 BOARD OF DIRECTORS



2008-2009 OFFICERS

President	Tammie Shelton
Vice President	Larry McCarthy
Secretary	Norah Ryan
Treasurer	Steve Souder
VP - Real Estate	Patrick Moore

2009 BOARD OF DIRECTORS

Ann Auer
Executive Director, Missouri Growth Association

Mary L. Baker
Pastor, Trinity Christian Fellowship Church

Matt Bollinger
Network Systems Manager, Fleishman Hillard

Darrell B. Carroll
Chiropractor

Loura Gilbert
Vice President, Commerce Bank

Bonita Isabell
Director/Founder, Regaining Our Children

Christian Saller
Tower Grove East Resident

Ian Simmons
Attorney
Beck Simmons, LLC

CORPORATE STAFF

Thomas J. Pickel	Executive Director
Jacqueline Roberson	Assistant Director
Cindy Carpenter	Controller
Justin Stein	Construction Superintendent
Vacant	Community Development Coordinator
Jennifer Robinson	Accounting Clerk

PROPERTY MANAGEMENT

Linda Warner Property Manager

STAFF

Cory Dickens	Acting Assistant Manager
Luchae Manning	Leasing Assistant
Jesse Warner	Maintenance Manager
Antwon Mallet	Maintenance Technician
Matthew Chase	Maintenance Technician

2009 STAFF



DeSales Mission

DeSales Community Housing Corporation is a community-based non-profit formed in 1976 to serve the Fox Park and Tower Grove East neighborhoods in the City of St. Louis. Governed by a board of directors and employing a full-time professional staff, DeSales promotes the ongoing growth of neighborhoods as healthy, diverse urban communities with quality housing.

www.DeSalesHousing.com

FINANCIAL REPORT

SUPPORT & REVENUE	2009	2008	EXPENSES	2009	2008
Grant Revenue	\$	215,848	Property Management	\$	840,185
Contributions		15,470	Housing Development		131,943
Development Fees		-	Community Development		157,007
Management Fees		107,326	Management & General		108,926
Consulting		73,712	Fundraising		23,485
Fundraising		18,686			
Rental Income		799,714	TOTAL EXPENSES		1,261,546
Miscellaneous Income		132,390			
Gain (Loss) on Sale of Properties		(68,485)	Increase in Net Assets		33,115
			Net Assets, Beginning of Year		487,044
TOTAL REVENUE	\$	1,334,066	Net Assets, End of Year	\$	520,159



PROPERTY MANAGEMENT BUSINESS EXPANDS

Fox Grove Management, DeSales Community Housing Corporation's property management affiliate, has been managing DeSales' multi-family housing portfolio exclusively since 2005. In 2009 Fox Grove began managing for its first outside owner when it took over management of 81 affordable units in The Ville neighborhood owned by Northside Community Housing, Inc.

The move to manage for others is something that DeSales had considered for Fox Grove for several years.

"Property management is a business of scale," said DeSales Executive Director Tom Pickel. "We felt that once we became confident in our ability to manage well we would be open to suitable opportunities to grow our business."

Such an opportunity arose in 2008 when DeSales was approached by Northside about managing the Low Income Housing Tax Credit (LIHTC) houses and apart-ments it has developed since 2001.

"As we looked at the organization and the properties we thought it would be a good fit for us," said Pickel. He said that De-Sales regards the business with Northside as more of a partnership between two similar organizations rather than a conventional owner-manager relationship.

Coles reports that her organization has been very happy with the move. "Tom has assembled an excellent staff. You cannot ask for more from a management company."

GARDEN DISTRICT COMMISSION
PROGRESS CONTINUES

In 2008 and 2009, DeSales worked with the Garden district Commission (GDC) to achieve critical accomplishments for the redevelopment of the Botanical Heights neighborhood, formerly known as McRee Town. The GDC is a non-profit organization sponsored by the Missouri Botanical Garden to oversee the Botanical Heights project. The partnership began in 2005 when DeSales first provided staff to assist GDC. The Projects History

In January 2008, Major Francis Slay Signed into law the McRee Town West Redevelopment Plan. The plan applied to the eight westernmost blocks of Botanical Heights, including the Tower Grove Avenue commercial corridor. The law called for preserving, when possible, and existing housing and for the construction of new homes on vacant land. DeSales Community Housing Corporation played a significant role in crafting the plan, and we remain committed to the vision.

National Register Listing

In June of 2009 the new Liggett & Meyers National Register Historic District was listed on the National Register of Historic Places. The boundaries of the district roughly encompass the majority of the Botanical Heights redevelopment area, and will permit the GDC to apply for important rehabilitation tax credits.

Architectural historian and former DeSales board member Lynn Josse prepared the National Register nomination. She recommended including the large warehouse buildings north of Folsom Avenue that were originally built by the Liggett & Meyers Tobacco Company. The housing in Botanical Heights was occupied by employees of Liggett & Meyers and other nearby industrial companies.

Accomplishments

In 2008, the GDC worked with the city of St. Louis to complete curb replacement and street repaving on the 4000 blocks of McRee and Blaine Avenues and the 1500 and 1600 blocks of Lawrence Street. In 2009, the GDC began preparation for construction and rehabilitation of single family homes on the 4200 block of McRee Ave.

GOLDEN BRICK AWARDS

Each year, DeSales awards the Golden Brick to outstanding individuals or businesses that preserve and beautify the Fox Park and Tower Grove East neighborhoods.

2008 Award Winners:

Stray Dog Theatre for its work as a local theatre company and its outreach programs

Millennium Restoration for completion of the single-family home project at 3501 Juniata

Principal Terry Houston for outstanding service to Roosevelt High School and the community

Creations in Style for its positive influence as a locally owned and operated beauty salon at 2701 Russell

Eco-Urban Homes for constructing two "green" townhomes at 3103 and 3105 Magnolia

The Institute of Christ the King for outstanding renovation of the St. Francis DeSales North Sacristy

920 Development for the rehabilitation of 2805 Shenandoah

Jeff Hall for outstanding service to the Fox Park Neighborhood

Emmaus Lutheran Church for outstanding service to Fox Park and church improvements

2009 Award Winners:

Beth Conroy and Beth Stelmach for the rehabilitation of 2753-55 Accomac

Focus Development for the rehabilitation of 2749 Accomac

Mojo Tapas Restaurant & Bar for its positive influence as a locally owned and operated restaurant at 3117 S. Grand

The J.U.I.C.E. Box for its positive influence as a locally owned and operated business at 3003 Arsenal

Dana Stewart for the rehabilitation of 2758 Accomac

Barnett's Market for storefront restoration at 2600 Virginia

MACKIE, LC for the rehabilitation of 2756 Accomac

Linda Streeter for tree planting on Geyer Avenue

Sustainable Dream Homes for the rehabilitation of 2612 S. Compton

St. Francis de Sales Oratory for restoration of the convent building

Millennium Restoration & Development Corporation for completion of 2758 Accomac

PEOPLE BEHIND THE DOORS

Entering into the home of Cory and Chuck Dickens, a fresh and spacious open-floor space greets you. Dark, inset-wood floor details blend eloquently with the original hardwood floors of the dining room and living room while still offering a glimpse of where walls once stood. What once contained four rooms, including the kitchen, is now an elegant, modernized living area that beckons for entertaining.

"The day we got the keys, we started our demo," said Cory Dickens, who moved to St. Louis from Wentzville, MO. "When we moved in, there was a hair salon in the basement. It was a floor-to-ceiling wallpaper and tacky carpet, but we knew this house had potential."

Attracted to the Craftsman-style architecture and the Tower Grove East neighborhood, Cory and Chuck embarked on an ambitious rehab of the home. Just six months married, the two toughed out a solid two months of living in just one room of the spacious home along with their two dogs.

Cory, who works at Fox Grove Management, laughs about the chaos of living in such cramped quarters, while chuck admits his is glad the initial gut rehab portion of the rehab is

complete. However, Chuck, who is originally from St. Charles, is content to be a mere five minutes from Busch Stadium.

Integral to finding a home for the young couple was DeSales Executive Director Tom Pickel, who first told Cory and Chuck about the availability of the home and then assisted them with all the paperwork. First time homeowners Cory and Chuck credit Tom's help as invaluable. Cory said the despite her education in real-estate, she was happy to have the trusted assistance of Tom to decipher contracts and help with the lending.

"I definitely feel a lot of pride in our house," said Cory, "It's a lot of work, but it's totally worth it in the end."

Cory & Chuck Dickens
2330 Arkansas Ave.

PEOPLE BEHIND THE DOORS

**Creations in Style, Isabelle Rutherford
2701 Russell Blvd.**

"I love this space," said Isabelle Rutherford about the location of her business, Creations in Style, on Russell Boulevard. "It's beautiful. DeSales had a For Rent sign in the window, and after 25 years in the hair styling industry, I believed it was time to do something different. This space convinced me that I was right."

Creations In Style is Isabelle's three-year-old hair salon, which occupies a rehabbed, corner storefront just off of Jefferson Avenue on Russell Boulevard in the Fox Grove neighborhood. In 2008, the business was among the Golden Brick recipients for maintaining the appearance of the building and generating increased curb-appeal.

"I like the area," said Isabelle, "It's really a community setting, but it has enough traffic to attract a family friendly clientele. We cater more to families and their needs than to trends. Trendy hair is just for that season. We are more concerned with building a long-term relationship with our clients."

The atmosphere at Creations In Style is casual and comfortable with an all-too-cozy waiting area near the front of the salon. Along the west wall is a line of colorful salon chairs that each face a differently styled modern mirror. The open floor plan is spacious with lots of natural light pouring into the space.

Even after three years, Isabelle is impressed with the location and considers it the perfect home for her young business, which supports three other stylists plus Isabelle.

"I love the tall ceilings, the window front; Ms. Hillicker did a wonderful job with the rehab," said Isabelle.

The DeSales Management Assistance Program (MAP) acts as property manager for the commercial space that houses Creations In Style. MAP was created by DeSales Community Housing and the St. Louis Development Corporation to help stabilize the rental markets in and around the DeSales service area. MAP provides free professional property management services for up to two years to qualified absentee property owners. MAP is managed by Fox Grove Management, a DeSales affiliate, and is funded by the Community Development Block Grant.

**Ronald Matchett
1923A California Ave.**

"It was divine intervention," said Ronald Matchett, "I found this place, and my moving worries went away." And so Ronald's life story returned to the Fox Grove neighborhood. After months of hunting for apartments in the City of St. Louis and along the I-170 corridor, Ronald had an urge to return

to "the old neighborhood." Feeling uprooted at the close of a long-term relationship and the sale of his beloved Tower Grove West home, Ronald found Fox Grove Management.

"It was mid-May, and I told Cory (Dickens) to show me those apartments available on June 1," Ronald said. With mere weeks before he needed to move into a home, Fox Grove Management presented him with his two best apartment options. Torn between both, he opted for the space most able to accommodate the move of his piano.

Freshly rehabbed, the California Avenue building features a stately stucco facade reminiscent of nearby Lafayette Square. Ronald's walk-up, two story apartment includes an impressive 1-1/2 baths, two bedrooms, high ceilings and a parking pad, and more importantly, it features a reasonable rental rate.

"I don't think I sacrificed much," said Ronald of the transition from owning a home to living in a DeSales-managed property just around the corner from the DeSales office.

Ronald is an Executive Casino Host at Ameristar in St. Charles and has worked in the casino industry for 12 years, yet not even the commute was enough to lure Ronald away from St. Louis.

"I like living in the city and want to buy again," said Ronald, who enjoys the close proximity of his home to Tower Grove Park. "There's so much uniqueness in the City, and there's so much to do. You can just have it all here."

**Scott Lapinski
2623 Iowa Ave**

"I saw this house with broken windows after I was out bid on the house next door," Said Scott Lapinski, "I had looked at probably 60 houses when I lost the bid, and DeSales approached me about my interest in this property."

At the same time Scott moved into his Iowa Avenue home, DeSales was in the process of rehabbing and selling properties in the St. Francis DeSales neighborhood. Scott was pleased with the option to buy his house after losing out on the adjacent building.

"They do such quality work," said Scott of DeSales' home rehabilitation projects, "Yet unlike many rehabs I saw,

Heather Bullard smiles generously as she welcomes you into her walk-up apartment on Allen Avenue. Originally from St. Louis, Bullard returned to the city in 2008 after living in Salt Lake City, Utah for several years.

"The day I moved in was the first time I actually saw the apartment," Heather Bullard said. "I like the brick and the old feel of the neighborhood and the building. I'm a history major and can easily picture this street and what it must have been like in the 1920s and the excitement of the houses when they were just built."

Heather's enthusiasm is infectious, and it is likely the trait that convinced Cory Dickens, who works for Fox Park Management, an arm of DeSales Community Housing Corporation, to walk through a couple of apartments and describe them to Heather on the phone.

"She kept saying, 'I'm not comfortable with this,' but she gave me a perfect description," said Heather.

Upon arrival in St. Louis, Heather spent a few months job hunting and exploring her neighborhood on foot. As a result, she lost 140 pounds. While her job at the Missouri History

PEOPLE BEHIND THE DOORS

everything is straight and brand new. Plus, they personalized it for me."

Scott proudly shows off his 1,800 square foot home, two-story home that features three bedrooms and a coveted two baths. Originally from the St. Louis region, Scott recently moved back to the city after 14 years in Atlanta, GA. He works as a nurse for Roche Pharmaceuticals and does nursing education in a six-state region.

"The living room is my favorite," Scott said, "I just love the color, the artwork; it's the most contemporary room in my home." With its 13-foot ceilings, modernized floor plan and abundant natural light, Scott has every reason to be proud.

"I like to live where the culture is diverse, so I love my neighborhood," Scott said. His home sits on a quiet one-way street and faces the cathedralesque St. Francis DeSales Oratory, which is also undergoing renovation.

"The neighborhood is amazing," Scott said, "I've met probably every neighbor. Everyone on this street looks out for one another. It's been pretty awesome."

Museum has detracted from her ability to so frequently peruse her Tower Grove East neighborhood, she has maintained a gym membership and credits the relocation with her kick starting her fitness regime.

"I like the diversity and the camaraderie of the neighbors," said Heather. "The neighbors are so quiet and look out for you."

While Heather makes frequent visits to Salt Lake City where she is volunteering for Family History Library to create an online index of American Families, she is continuing her education in St. Louis by starting a master's degree in accounting.

**Heather Bullard
2703B Allen Ave**