

Quarterly Newsletter

Real estate plays a pivotal role in the success of most nonprofit organizations, particularly those operating at the neighborhood or community level providing housing, education, healthcare, and other social services to the underserved. When a nonprofit seeks to increase its capacity for delivering these types of services, a well-planned real estate strategy can bring about meaningful change and have a multiplier effect on its ability to achieve its mission.

Real estate is typically the largest nonprofit budget line item, behind only payroll. Getting knowledgeable yet affordable guidance can ensure nonprofits utilize their real estate most effectively. Here are some guidelines for nonprofits to consider when faced with a real estate challenge:

- Remain focused on the Mission
- Assess real estate needs and how real estate can impact operations, employee experience and customer perception
- Ask for help - find the right resources to help set priorities and meet challenges
- Understand the cost of change to help guide decisions and fundraising efforts
- Identify potential sources of funding
- Establish a reasonable timeline for action
- Identify resources needed for execution
- Retain professional service providers with expertise, who can provide guidance and access to resources, and who understand the processes involved in real estate decision-making

Community-based nonprofits in the St. Louis area are experiencing significant demand for their services. Given the infrequency with which nonprofits face real estate issues, nonprofits should always seek out capable, mission-focused professional resources that can help them devote less of their resources to real estate expenses and more to fulfilling community needs.



Pete W. Kinsella, Jr.
Executive Director



Newsletter Highlights

Word from Executive Director Pete Kinsella...

Mission Fulfillment and Real Estate

African Diaspora Council hosts Africa Day Celebration

Miriam School and Learning Center

International Institute of St. Louis continues to pursue its housing plan

AFRICAN DIASPORA COUNCIL HOSTS AFRICA DAY CELEBRATION

Over the course of two days, May 24th and May 25th, the African Diaspora Council hosted its annual African Day celebration, with its theme of “One Africa Without Borders”. The event featured a day of sharing ideas about the economic, political and social challenges facing Africans in the diaspora, as well as offering possible solutions, and discussions focused on African diversity of culture, history, fashion, and music. The event culminated in a Unity Dinner, attended by a number of local, state, and federal political and business leaders and at which May 25th, 2024 was proclaimed Africa Day in the City of St. Louis.



MIRIAM SCHOOL AND LEARNING CENTER



Miriam is a premier educational hub for children with learning differences in the St. Louis area and empowers unique learners by building confidence and a foundation for success at its K-12 school, as well as through its outreach programs. Miriam takes students and their families on a journey to see how their differences can actually be gifts. Students’ challenges often include specific learning disabilities, ADHD, autism, speech/language disorders, anxiety and sensory processing differences.

When Miriam acquired its property on North Warson Road, in Olivette, in 2019, a portion of the property was unusable as it had sustained substantial damage due to a broken water pipe. Renovating that space would enable Miriam to expand its capacity and to create unique learning environments for its students, and space that could be used for professional development for its staff.

Miriam reached out to Mission Realty Advisors for assistance in developing cost estimates for the proposed project. Working under a deadline for submitting an application, MRA was able to enlist the help of BSI Constructors to tour the unused portion of the building to help develop both a conceptual scope of work and an estimate of cost so that Miriam could approach its board and complete its application in a timely manner.

INTERNATIONAL INSTITUTE OF ST. LOUIS CONTINUES TO PURSUE ITS HOUSING PLAN

A recent article in the St. Louis Business Journal highlighted the role that Mission Realty Advisors is playing in helping the International Institute of St. Louis find housing for its new arrivals. Below are excerpts from that article:

The Institute works with a network of landlords to house refugees and [immigrants] in St. Louis, but sometimes it doesn't get more than 24-hour notice of families' arrivals. That forces the Institute to pay for available hotels and motels, with the cost for a week in some cases exceeding the cost of an apartment for three months. "So, it would make a lot of sense if we had 40 or 50 units as transitional housing so that once we stabilize a family, we can move them to more permanent rental housing, making sure we put them in a job", according to President & CEO Arrey O'Benson.

"If we are going to raise capital to invest in a housing initiative by way of building and developing or purchasing, we want to ensure it works for us – meaning that we don't want to carry a burden or a cost that is not going to make financial sense for us".

In 2023, the Institute leased 239 units to settle refugees with an average rent of \$968 per month. A federal program provides an allowance of \$1,125 per person over three months, but it must cover spending money, a security deposit, three months of rent, home set-up materials such as furniture and housewares, utilities and bus passes. The Institute relies on donations to close the funding gap, which can cost \$4,315 for a single person and \$3,454 for a family of three.

Mission Realty Advisors is evaluating options for the Institute that could include the acquisition or construction of transitional and rental housing for new arrivals, and possibly opportunities for home ownership. Those options would be presented to the Institute's board of directors, which would decide whether to proceed to look for investors. The Institute faces challenges given the increasing number of immigrants and refugees it expects to serve. Mission Realty Advisors is helping the Institute develop a housing plan and working on budgets to renovate or construct affordable housing.

O'Benson said the collaboration with Mission Realty Advisors is a valuable one. "It's understanding the needs and the challenges that not-for-profit organizations have. It's really helpful that an organization like Mission Realty realizes that's a niche where they can support us to achieve our goals. Without that help, we'd be transforming ourselves into a housing company and that would take us away from our mission."

St. Louis Business Journal, June 3, 2024, by James Drew

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Individually, we are one drop. Together, we are an Ocean.
- Ryunosuke Satoro

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