Developer Guide: Accessing Affordable Housing Capital, Tulsa Housing Impact Fund (THIF)

Welcome to the Tulsa Housing Impact Fund (THIF) Developer Guide. THIF is a blended capital fund designed to expand and preserve affordable housing across Tulsa, Oklahoma. By combining public, private, and philanthropic funding, including City of Tulsa IOT3 funds, THIF offers flexible financing solutions such as debt, equity-like investments, grants, and technical assistance to support developers in advancing affordable housing projects.

This public guide outlines our borrower classification tiers, eligible project types, and available loan products to help you determine where your organization fits and how to apply.

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1. Borrower Classification System

To ensure equitable access to capital while maintaining proper risk management, THIF evaluates and classifies developers into three distinct tiers. Your tier determines underwriting flexibility, loan terms, and reserve requirements.

Classification	Track Record	Financial Strength	Organizational Capacity
SUSTAINER	• 10+ years in business • Extensive new construction & rehab experience • 10+ years personal experience • Developed 3+ properties of 50+ units	• Liquidity > $2MM • Net worth > 2x loan amount • Liquidity ratio > 1:1 • Audited financials	• Multi-functional staff • Managing 5+ deals at a time • Strong funder relationships (5+ years)
SCALER	• 5–10 years in business • New construction and/or rehab experience • 5–10 years personal experience • Developed 1–3 properties of 10+ units or 3–5 smaller projects	• Liquidity $500K–$2MM • Net worth 1x–2x loan amount • Liquidity ratio = 1:1 • Reviewed or compiled financials	• 1–5 member staff • Managing 2–5 deals at a time • Growing funder relationships
STARTER	• < 5 years in business • Limited construction or rehab experience • 5+ years personal experience • Seeking financing for first project	• Liquidity < $500K • Net worth < 1x loan amount • Liquidity ratio < 1:1 • Internally prepared financials	• Solo practitioner or small team • Managing 1 deal at a time • New or limited funder relationships

Underwriting & Support Matrix by Tier

- **Sustainer:** Qualifies for higher loan amounts, longer terms, reduced recourse requirements, and lower reserve levels.
- **Scaler:** Subject to standard underwriting requirements, moderate reserves, and typical recourse provisions.
- **Starter (Emerging Developers):** Receives dedicated support to mitigate risk and build capacity. This includes technical assistance, potential co-developer arrangements, milestone-based staged funding, and cohort-based learning and mentorship. **If you are a starter – start with THIF.**

2. Target Market & Eligibility Criteria

Geographic Focus

THIF investments are restricted to the **City of Tulsa, Oklahoma**, with a strong priority placed on historically underinvested neighborhoods, particularly **North and East Tulsa**.

Target Borrower Profile

We partner with Tulsa-based nonprofit or for-profit organizations that:

- Show a clear commitment to affordable housing development serving households at or below **120% Area Median Income (AMI)**.
- Lack access to traditional commercial capital.
- Demonstrate connectivity to the history of the historic Tulsa business district.

Affordability Requirements & Mission Alignment

While the Tulsa Housing Impact Fund (THIF) partners with both nonprofit and for-profit entities, all developers must meet specific mission-alignment criteria to qualify for financing. Requirements vary depending on the asset class and project type to ensure maximum impact and flexibility:

- **Affordability Controls & Project Flexibility:**
  - **LIHTC Rental Projects:** Legal mechanisms (such as deed restrictions or regulatory agreements) ensuring long-term affordability for a minimum of **15 years** are required for most projects.
  - **Naturally Occurring Affordable Housing (NOAH):** Affordability and rent-restriction terms will be structured to accommodate preservation and stabilization needs.
  - **Homeownership Developments:** Rather than long-term property restrictions, compliance will focus on verifying the income eligibility of the initial homebuyer at the time of purchase.
- **Exit Controls:** Developers are expected to grant a right of first refusal or purchase options to mission-aligned buyers upon the eventual sale of the property.
- **Profit & Fee Caps:** Developer fee caps must be aligned with industry standards and THIF mission.
- **Community Engagement:** A proven track record of local community engagement and a commitment to local hiring practices.

3. Financial Products and Terms

THIF offers four primary financial products tailored to different project stages and organizational needs.

A. Enterprise Loans

- **Purpose:** Flexible debt capital to support organizational growth, working capital, staffing, and early pipeline development.

B. Project Loans

- **Purpose:** Land/site acquisition, soft costs, environmental reviews, and predevelopment activities for specific projects.

C. Construction Loans

- **Purpose:** Project-based financing for vertical construction or major rehabilitation of affordable housing.

D. Project Equity and Subsidy Grants

- **Patient Capital/Recoverable Grants:** Offers flexible returns, with repayment contingent on cash flow or refinancing trigger events.
- **Project Subsidy & Grants:** non-repayable capital (subject to milestone claw-backs) targeting deep affordability, green building features, or valuation challenges when rehabbing vacant/abandoned properties.

4. Standard Fees & Loan Pricing

- **Origination Fee:** Percent of the total loan amount (negotiable based on transaction size, product and borrower relationship).
- **Extension Fee:** Percent of outstanding principal for extensions beyond initial approval timelines.
- **Late Payment Fee:** Percent the overdue payment amount.

5. Next Steps for Potential Applicants

1. **Determine Your Tier:** Complete the intake form with all information available about your financing request
2. **Prepare Documentation for Application Submission:** Application for THIF funding can be found at:

   https://forms.cloud.microsoft/r/cXyZYCfvvZ

3. **The THIF team reviews for alignment with program priorities. It will take a roughly 3 weeks after submission for our team to review your application → If aligned, we will then schedule an introductory call and continue with next steps:**

Tulsa Housing IMPACT FUND

1. DUE DILIGENCE & FULL UNDERWRITING

1. Request detailed project documents
2. Financial and feasibility analysis conducted
3. Full underwriting memo prepared

2. INVESTMENT DECISION

1. Reviewed by the THIF Loan Committee
2. Final approval based on impact, feasibility, and alignment with the fund goals

3. COMMITMENT & CLOSING

1. Commitment letter issued
2. Legal documentation + closing process
3. Funds disbursed based on project milestones

Visit our website for more information: https://www.tulsahousingfund.org

Products and terms are subject to change