

**NOTICE OF VOLUNTARY FILING
FOR CONTINUING DISCLOSURE PURPOSES**

NATIONAL CHARTER SCHOOL REVOLVING LOAN FUND REVENUE BONDS

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Date: 02/16/2022

Equitable Facilities Fund, Inc., a Delaware nonstock, nonprofit corporation (the “Program Administrator”), was established in 2017 to operate a pooled revolving loan program for the benefit of a class of public charities that operate to support public charter school facilities. The Program Administrator originates loans to qualifying public charter schools across the country, including a nine-step lending process from loan sourcing to portfolio management (“School Loans”), for the purpose of financing and refinancing the costs of the acquisition, construction, improvement, equipping, and furnishing of public charter school facilities.

Notice is hereby given that on February 16, 2022, the Program Administrator entered into a School Loan (the “Tulsa Honor Academy Loan”) with THA Facilities, LLC an Oklahoma limited liability company. Upon closing, the Tulsa Honor Academy Loan was sold to Equitable Revolving Fund LLC, a Delaware limited liability company (the “Revolving Fund”) for inclusion in the ESRF Loan Pool under the Master Trust Indenture. Capitalized terms used but not defined herein have the meanings set forth in the Official Statement relating to the Arizona Industrial Development Authority National Charter School Revolving Loan Fund Revenue Bonds, Series 2021A, the California Infrastructure and Economic Development Bank National Charter School Revolving Loan Fund Revenue Bonds, Series 2021B, the Massachusetts Development Finance Authority, Series C, and the City of Albany Capital Resource Corporation, Series D, dated October 20, 2021.

Attached as Appendix A hereto is a summary of the Tulsa Honor Academy Loan, including a description of the obligor’s charter contract, management and governance, enrollment information, academic performance, financed project, and financial information. ***None of the Revolving Fund, the Program Administrator, or their counsels has undertaken any responsibility for the accuracy or completeness of the information provided in Appendix A. Certain information may have changed since the Tulsa Honor Academy Loan closing date and may be subject to future changes.***

**Tulsa Honor Academy
Tulsa, Oklahoma**

\$10,602,566.33 EFF Financing / Closed: February 16, 2022 / Final Maturity: 02/01/2052

Obligor Overview

Tulsa Honor Academy (“THA”) was founded in 2015 and had a fall 2021 enrollment of 882 students in grades 5-11 across two campuses. THA first opened with a single fifth grade class of 92 scholars and employed a slow growth model. The Lakewood Campus is now a fully enrolled middle school serving 414 students in grades 5-8. In 2018, THA was approved to serve grades 9-12 and opened THA High School with grade 9 in the 2019-2020 school year. THA opened the Sheridan Campus, which houses THA High School and THA’s second middle school (launched in August of 2021). The Sheridan Campus currently serves 468 students in grades 6-11. The Sheridan Campus is expected to grow to eventually offer grades 5-12 by Fall 2026.

The legal borrower is THA Facilities, LLC, whose sole member is THA. The legal borrower is the owner of the land and facility at 1421 S. Sheridan Rd, Tulsa, Oklahoma was founded in 2022 and plans to renovate and lease a school facility to THA upon EFF loan closing.

THA’s mission is *to equip all students with the academic skills, content knowledge, and ethical character required for college graduation and life success.*

Charter Contract

THA operates under two charter contracts with the Tulsa Public Schools District. The original charter contract was granted to offer grades 5-8. In 2017, the authorizer approved an enrollment expansion and a five-year term through June 30, 2022. On October 4, 2021, the original charter was renewed a second time for the maximum five-year term permitted by the authorizer. The second charter contract was granted to THA to serve students in grades 9-12 and is eligible for renewal in summer 2023.

Grades	Opened (Fall)	Authorizer	Charter Expiration
5-8	2015	Tulsa Public Schools District	June 30, 2027
9-12	2019		June 30, 2023

Management & Governance

THA’s Board is composed of ten members who bring experience including law, local government, and philanthropy. Per the bylaws, the Board may comprise at least seven members and no more than fifteen members. Board members may serve up to two terms and a term duration is three years.

THA’s Founder and Executive Director has led the organization since THA opened in 2015. Other key members of the senior management team include the Director of Operations, the External Affairs Manager, and school principals.

Enrollment & Student Information

The student count for THA the past four fiscal years is as follows:

**Tulsa Honor Academy
Grades served and Historical Student Enrollment
FY19 – FY22**

School	Grades Served	FY 19	FY20	FY21	FY22
Lakewood Middle School	5-8	413	406	438	414
Sheridan High School	9-11	0	105	243	363
Sheridan Middle School	6-7	0	0	0	105
Total	NA	413	511	681	882

Currently, the Lakewood campus is at 94% of full enrollment. The Sheridan Campus, which offers a middle school and high school, is currently at 40% of its full enrollment target (1,180). THA expects to reach full enrollment of 1,620 students across both campuses by fall 2026.

Between FY19 and FY21, THA averaged 87.2% student retention. For fall 2021, the school had a waitlist of 13.6% of enrollment. Notably, for the two prior school years, THA averaged a waitlist of 35.1% of enrollment. Fall 2020 represented the first school year after an enrollment window when THA no longer accepted paper applications and transitioned to an online platform administered by the local district. Therefore, the fall 2021 waitlist only captures families that ranked THA as higher than their lottery placement on the enrollment platform. Scholars who ranked THA lower than their placement are not counted on the waitlist. Fall of 2020 was also the first year where THA did not have access to the local district's directory information and the first application window during the pandemic, which impacted recruitment and the application and waitlist numbers for Fall 2021.

In the 2021-2022 school year, 89.8% qualify for Free and Reduced Lunch, 14% qualify for Special Education Services, 52% identify as English Language Learners and 94.5% identify as students of color.

Academic Program & Results

In the 2018-2019 school year, THA administered the Oklahoma School Testing Program (OSTP) to grades 5-8. In the highest grade tested at THA (Grade 8), student proficiency rates were 175.0% of the Tulsa Public Schools district average in ELA and 360.0% of its average in Math. In the 2018-2019 school year, THA earned an "A" grade from the Oklahoma State Department of Education. Due to COVID-19, the 2018-2019 school year is the last year in which a report card was issued.

The Project

Proceeds of the loan will be used by THA Facilities, LLC to: 1) complete the Phase II renovation and improvements to the Sheridan Campus; 2) refinance a Facilities Investment Fund loan that was originally used for the acquisition and completion of the Phase I renovation of the Sheridan Campus, 3) acquire the Sheridan Campus; and 4) pay closing costs associated with the transaction.

Sheridan Campus



Figure A

The Sheridan Campus is located on 1421 S. Sheridan Rd Tulsa, OK 74112. It sits on 10.02 acres of land and the building is 116,969 square feet. Figure A above represents the current Sheridan Campus and scope of work.

Financial Information

THA’s gross tenant revenues for fiscal years preceding this transaction are as shown in the table “Historical Financial Information” below. The table reflects how the lease coverage ratio and days cash on hand covenants would be stated, if applied to these preceding years.

Historical Financial Information

Metric	FY18	FY19	FY20
Gross Revenues	\$ 2,238,149	\$3,798,001	\$7,283,282
Lease Payment Coverage Ratio	-0.20	10.86	24.19
Lease Burden (% of GR)	1.2%	0.7%	0.4%
Days Cash on Hand	18.5	31.2	84.1

Ratings: S&P: “BB” Stable

Website: tulsahonoracademy.org

THA Facilities, LLC
Security and Loan Covenants

Security	The Loan Agreement is secured by a Mortgage on the Sheridan Campus, a pledge of the Construction Account, and a first priority security interest and pledge of Gross Revenues of the Borrower and Gross Tenant Revenues of the THA.
Lease Payment Service Coverage Ratio	1.10x
Additional Indebtedness Test	The Tenant demonstrates that it can meet an historic look back Lease Payment Coverage Ratio of 120% and a projected Lease Payment Coverage Ratio of 120% that includes the proposed Additional Indebtedness.
Liquidity Covenant	60 DCOH
Academic Covenant	<p>Tenant covenants to maintain:</p> <p>(i) Commencing the 2022-23 academic year, the average proficiency rate across all of the Tenant’s campuses, weighted by enrollment, in both English Language Arts and Math calculated separately, shall (i) exceed that of the Tulsa Public School District’s average proficiency rate or (ii) be equal to or greater than the State average proficiency rate. “Exceed” is defined as the enrollment-weighted average proficiency rate on the Oklahoma School Testing Program – General Assessment (or its successor test) of the Tenant’s schools divided by the average proficiency rate of the Tulsa Public School District on the same test resulting in a minimum ratio of 101%. In the event the Tulsa Public School District average proficiency rate improves significantly, i.e. 15 percentage points, the required ratio will be amended as agreed upon by Tenant and the Lender (herein referred to as “Standard 1”); and</p> <p>(ii) average SAT Math and SAT Verbal, or ACT equivalent, scores that exceed the same metric for the Tulsa Public School District for all economically disadvantaged students, as measured by free and reduced lunch participation, in the same grade, or a similar metric as agreed upon by the Tenant and the Lender (hereinafter referred to as “Standard 2”).</p> <p>Commencing with the school year ending 2023 and thereafter, in the event the Tenant</p> <p>(i) fails to meet Standard 1; or</p> <p>(ii) fails to meet Standard 1 and Standard 2 in the same year, the Tenant agrees that it shall:</p> <p>a) within forty-five (45) days of such failure, provide and present to the Tenant’s board of directors and Lender during the next Board meeting its improvement plan to remedy the violation for the following year (the “<i>School Improvement Plan</i>”); and</p> <p>b) as soon as possible, the Tenant shall implement or to begin to implement all the recommendations of the School Improvement Plan, to the extent legally permissible.</p> <p>In the event the Tenant fails to meet this standard for two consecutive school years, the Tenant agrees that it shall:</p>

(i) within thirty (30) days of such failure, engage a mutually acceptable Independent Management Consultant (as defined in the Loan Agreement) to assist the School in the preparation of an School Improvement Plan;

(ii) within sixty (60) days of engaging such consultant, provide to the Lender the School Improvement Plan; and

(iii) within forty-five (45) days after receipt of the final School Improvement Plan from the consultant, the Tenant shall implement or begin to implement the recommendations of the School Improvement Plan, to the extent legally permissible.

Notwithstanding any other provision herein, failure of the Tenant to comply with this Section shall not constitute an Event of Default.

Enrollment Covenant

The Tenant covenants that all the Tenant’s schools shall maintain annual enrollment levels, as reported by the State each October (the “October Testing Date”) and reported to the Lender no later than November 15, corresponding to the enrollment requirements (“Enrollment Requirement”) in Table 1 below. The Tenant’s schools further covenant that, in the event they fail to maintain such enrollment, they will within sixty (60) days, prepare, share, and discuss with the Lender a detailed plan for enrollment turnaround. If enrollment count is ever below the enrollment minimum in Table 1 below (the “Enrollment Minimum”), the Tenant’s schools shall, at their own expense, timely engage an Independent Management Consultant acceptable to the Lender. The Enrollment Requirement and Enrollment Minimum shall be reevaluated by the Tenant’s schools and Lender should there be any materials changes to the Tenant’s schools enrollment plans. Within sixty (60) days of engaging an Independent Management Consultant, such Independent Management Consultant shall prepare a report to Lender with recommendations for meeting the required Enrollment Requirement. As soon as practicable, but no later than thirty (30) days after receipt of such report, the Tenant’s schools shall, to the extent legally permissible, implement the Independent Management Consultant’s recommendations. Notwithstanding any other provision of this Section, failure of the Tenant’s schools to maintain annual enrollment levels above the Enrollment Minimum as reported by the State on ear October Testing Date or otherwise comply with this Section shall not constitute an Event of Default under the Loan Agreement.

Table 1: Enrollment Requirements

October Testing Date	Budgeted Full Enrollment	Enrollment Requirement	Enrollment Minimum
2023	1,135	1,022	970
2024	1,275	1,148	1,090
2025	1,395	1,256	1,193
2026	1,560	1,404	1,334
2027 and thereafter	1,620	1,458	1,385