



CASE STUDY

SHALLOWFORD POINTE

 CHATTANOOGA, TN

Situation: A longtime Walker & Dunlop client approached the W&D FHA team for help with construction financing for Shallowford Pointe, an affordable housing complex. The clock was ticking, and the client needed to move quickly. Knowing our depth and breadth of experience in the affordable housing space, including financing tax credit properties, the client leaned on our expertise to streamline the approval and closing processes. The client needed to ensure the project was eligible for the LIHTC program to leverage the benefit of closing the transaction within 60 days.

Solution: The HUD Tax Credit Pilot Program significantly reduces the timeline for loan approval and closing, allowing investors to accelerate projects and manage cash flows more effectively. This program also provides clear ratios to help manage project finances to ensure viability and make decisions. The W&D team delivered a \$23,474,500 224(d)4 loan to the client within 38 days from submission to HUD for review and approval. With a shorter processing time, investors can start filling the gap in affordable housing and potentially create more affordable opportunities.

Result: The construction financing of Shallowford Pointe allowed our client to contribute 96 affordable units to the community. A smart, efficient approval process greenlighted the project so these units can start making an impact sooner. By financing the property with Low Income Housing Tax Credits (LIHTCs), the developer ensures that 100 percent of the units will be restricted to 60 percent AMI. Additionally, 100 percent of the units will receive subsidies via a project-based voucher contract to make these units even more accessible to low-income occupants. Our client receives the benefit of guaranteed rental income, while area families and residents can feel confident in long-term affordability.

96 Units

\$23,474,500

HUD 221(d)4