



NEWS RELEASE

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X-Caliber Capital Affiliates Close First Joint USDA/C-PACE Transactions for \$70MM

Combination Will Reduce 1000 MT/year in CO2 Emissions and
Support Areas' Economic Expansion

Irvington, NY –May 9, 2021 - X-Caliber Capital, a national, direct commercial real estate lender focused on impact lending, announced its affiliate companies, X-Caliber Rural Capital (XRC) and CastleGreen Finance (CastleGreen), closed two large transactions through a combination of USDA/Commercial Property Assessed Clean Energy (C-PACE) financing structures. The separate transactions totaled \$68.2MM and financed a hotel and a multi-tenant senior medical care property in two states.

In the first transaction, the two affiliates provided a total of \$36MM to finance The Inn at Bellefield located in Hyde Park, NY. XRC provided \$25MM through a USDA Business & Industry Guaranteed Loan and CastleGreen provided \$11MM of C-PACE financing. Mike Spachman, Senior Vice President, CastleGreen Finance, originated the transaction.

The \$36MM in financing is part of a project led by T-Rex Capital Group and Shaner Hotel Group. The property is situated among a cluster of historic sites, including the Franklin D. Roosevelt Presidential Library and Museum, and Walkway Over the Hudson State Historic Park, and is located across the street from the Culinary Institute of America, the largest culinary school in the world.

The \$25MM USDA fixed-rate loan will provide construction-to-permanent financing to build a 137-room, five-story hotel that will be branded under a Marriott franchise, with anticipated completion in September 2023. The \$11MM C-PACE financing will support energy efficiency improvements, including roofing, walls, and windows, as well as LED lighting, HVAC, heating, and low-flow plumbing.

The greenhouse gas avoidance of the C-PACE financed improvements for the hotel property is roughly 484.8 MT/year, which is the equivalent of 165 tons of waste recycled instead of

landfilled. The project will also save 725,000 gallons of water per year. It is anticipated to create 550 construction jobs and 369 full-time jobs.

In the second transaction, the two affiliates provided a total of \$32.2MM to finance the Milford Wellness Village, a multi-tenant medical space that supports Milford, Kent and Sussex counties. XRC provided \$25MM through a USDA Business & Industry Guaranteed Loan and CastleGreen provided \$7.2MM of C-PACE financing. The property includes a 150-bed skilled nursing facility and is owned by a highly experienced operator. Scott Crimmins, Senior Vice President, CastleGreen Finance, originated the transaction.

The \$32.2MM financing is part of a project led by Nationwide Health Services. The \$25MM USDA, fixed-rate financing will be used to pay off construction financing and to provide future tenant improvements. The \$7.2MM C-PACE financing will support energy efficiency improvements, including windows, LED lighting and controls, HVAC systems and whole building controls.

The C-PACE financed improvements will result in CO₂ avoidance equal to 569.7 MT/year, which is equal to 197 tons of waste recycled instead of landfilled. The financing will result in a total annual energy and maintenance savings of \$135,000 and will save 544,000 gallons of water per year.

The unique and innovative combined USDA/C-PACE execution provides unique benefits to the borrowers, environment and rural economy.

“This is a testament to the flexibility of the C-PACE structure and how it benefits borrowers with long-term, low-cost financing, all the while supporting sustainability and a cleaner environment,” said Sal Tarsia, Managing Partner at CastleGreen Finance. “For this transaction, C-PACE financing significantly reduces greenhouse gas emissions, decreases water and energy consumption and passes along substantial cost savings to the borrower, while improving the overall value of the property.

X-Caliber Capital is a market-leading lender that is leveraging its C-PACE platform with its USDA-licensed business, delivering an innovative approach to provide excellent terms while supporting the rural economy and energy efficiency.

These transactions show the depth of our platforms and the impact we can make for the borrower and the community,” said Jordan Blanchard, X-Caliber Capital Co-Founder and Executive Manager of X-Caliber Rural Capital. “The combination of the USDA Business and Industry guaranteed loan program plus Commercial PACE financing creates many construction and permanent jobs and positions the areas for a wider economic development plan. We’re proud to be part of two such impactful projects.”

X-Caliber Capital’s President and CEO, Chris Callahan, says the USDA and C-PACE products help provide unique solutions to support the firm’s commitment to offering effective solutions with impact lending.

“As a firm focused on providing the best financing options for our borrowers, this unique combination of a C-PACE and USDA execution checks all the boxes to ensure we provide excellent, long-term solutions for our clients, while also supporting our mission to directly help and positively impact rural communities and the environment.”

C-PACE financing provides property owners funding to finance improvements that include energy efficiency, renewable energy, water conservation, and seismic improvements. The unique C-PACE financing is only administered through C-PACE-approved lenders and allows borrowers to pay it back over time through a voluntary tax assessment that provides a long-term, low-cost financing option coupled with the ability to transfer repayment to the next owner.

USDA loans offer innovative solutions to eligible borrowers in rural areas with competitive terms through five, dedicated, flagship programs that support infrastructure improvements, business expansion, community facilities, public safety, renewable energy, and more, with the goal of increasing private investment in rural America. A rural area is defined as primarily serving rural areas with populations of 50,000 residents or less based on the last census and not contiguous with an adjacent populated area.

About X-Caliber – www.x-calibercap.com

X-Caliber Capital is a nationally recognized direct commercial mortgage lender and loan servicer. We are an FHA-approved Multifamily Accelerated Processing (MAP) lender and GNMA- approved MBS issuer, and together with our affiliates, provide bridge, USDA, and C-PACE finance solutions.

We strive to deliver to our clients, and to the communities in which we lend, the best financing solutions available to support their business goals, while focusing on some of the nation’s greatest challenges – affordable housing, the environment, care for our seniors, and rural businesses. By leveraging the most effective private and government programs in the country, we can harness the power of our expertise and practice the values for which we stand – so we can make the world a better place for all.

About CastleGreen Finance – www.castlegreenfinance.com

CastleGreen Finance is a private capital source focused on Commercial PACE (Property Assessed Clean Energy) financing. CastleGreen brings experience in commercial real estate across a broad range of financial disciplines. The real estate experience of the CastleGreen team, combined with its core C-PACE capabilities, provides its clients with the knowledge and resources to create a superior capital stack that meets all its needs and helps to unlock the potential of their commercial real estate. We understand that the most important part of any

real estate transaction is showing up with the capital at closing. Our team focuses on the details of every deal to ensure we can get our clients to the finish line.

About X-Caliber Rural Capital - www.xrusda.com

X-Caliber Rural Capital is an affiliate of [X-Caliber Capital](#), a national, licensed and approved U.S. Department of Agriculture lender that provides financing for rural business and economic development projects through five flagship programs that fall under the OneRD Guarantee Loan Initiative. The Company is dedicated to creating attractive solutions for its borrowers that meet the needs of rural communities throughout the country.