



NEWS RELEASE

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X-Caliber Funding and CastleGreen Finance Close \$55MM in Joint Financing of Long Beach, CA Multifamily Property

The Project Will Reduce CO2 Emissions by 189 Metric Tons Annually

Irvington, NY – April 26, 2022 [X-Caliber Funding](#) (X-Caliber), a national, direct commercial real estate lender, and [CastleGreen Finance](#) (CastleGreen), an affiliate company that provides capital focused on Commercial Property Assessed Clean Energy (C-PACE) financing, are pleased to announce the closing of a \$54.97MM joint transaction as part of a multimillion-dollar renovation and adaptive reuse of [Ocean Center Luxury Apartments](#) in Long Beach, CA.

With this latest transaction, the X-Caliber/CastleGreen teams executed the one-stop financing, providing \$34.36MM in short-term renovation financing, and \$20.61MM in long-term, C-PACE financing through California Statewide Communities Development Authority's (CSCDA) Open PACE Program. This is the second transaction completed with a repeat borrower who closed on a similarly structured, \$94MM joint transaction with [The Breakers Hotel & Spa](#) in Long Beach in September. The two transactions equal \$149MM in financing, of which \$66MM is C-PACE.

CSCDA's Open PACE Program facilitates financing for property owners looking to finance improvements that include energy efficiency, renewable energy, water conservation, and seismic improvements. The unique PACE financing is only administered through C-PACE-approved lenders and allows borrowers to pay funds 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 property owner.

The \$54.97MM in financing is part of a renovation project led by [Pacific6](#), a Long Beach, California partnership, headed by John Molina. The firm focuses on projects that bring positive economic and social advancement to their local communities. Molina purchased the vacant office building in 2018 and has worked to obtain the property's necessary entitlements and permits while completing other unrelated renovations.

Ocean Center Luxury Apartments is an 80-unit, 14-story, 142,411 square-foot, historic landmark building originally built in 1929. The property is located at the intersection of Ocean Boulevard and Pine Avenue in the heart of downtown Long Beach Business Center, within walking distance to The Convention Center and other notable employers, venues, and retail businesses.



As part of the new renovations, units will be designed with state-of-the-art kitchens, spacious bathrooms, and community amenities that will include a large terrace, clubhouse, and fitness center.

The \$20.61MM in C-PACE financing will not only provide borrowers with long-term, low-cost financing, but it will provide for energy upgrades that will significantly reduce greenhouse gas emissions at the rate of an estimated 189.08 metric tons of carbon dioxide per year. This is equivalent to 208,987 pounds of coal burned and 64.3 tons of waste recycled instead of landfilled. The project will employ over 150 construction workers through construction completion, which is scheduled to occur in early 2023. On a permanent basis, the property management team will employ approximately five full-time staff, while the commercial spaces, which will include three restaurants and a retail store, are expected to provide employment for up to sixty full-time staff.

Chris Callahan, President and CEO of X-Caliber Capital, says all the parties once again worked together to provide innovative solutions for this notable project.

“It was a pleasure to complete a second transaction with our friends at Pacific6 and to collaborate with the CSCDA. This is another example of the great combination of financing we can provide with our affiliate company, CastleGreen Finance.” He continued, “With this latest transaction, we delivered excellent terms with a highly effective capital stack while making an environmental and economic impact that will span decades. That is a winning combination, and we are grateful for the opportunity to provide such innovative solutions that benefit our borrowers’ projects and the communities they serve.”

“Working together on this second project with a repeat client allows us to demonstrate the need for the C-PACE platform and the unique benefits it provides to the property owner and entire community,” said Sal Tarsia, Managing Partner, CastleGreen Finance. “We are proud to be able to support Pacific6’s commitment to transforming downtown Long Beach with effective financing solutions that preserve and increase the value of another historic property, while significantly reducing greenhouse gas emissions, saving energy, reducing water consumption and creating jobs in the city.”

“C-PACE is an excellent way for us to demonstrate our commitment to sustainable development,” said John Molina,” founding member of Pacific6. “We are pleased to work with CastleGreen and X-Caliber once again. We look forward to re-opening the historic Ocean Center, bringing the 1920s to the 2020s in grand fashion.”

“CSCDA is happy to now have completed two projects under its Open PACE program in the City of Long Beach,” says James Hamill, Managing Director of the California Statewide Communities Development Authority (CSCDA). “We are grateful to CastleGreen Finance for their support and expertise to marshal these financings to successful closings.”



“I was very happy to have had the chance to work with such a fantastic group for a second time in under a year, and on yet another interesting and exciting deal in the dynamic market of Long Beach, California,” said Matt Raptosh, Managing Director, Berkadia, who arranged the financing. “When structuring a transaction, our team always tries to connect the very best professionals on both the client and lender sides who can work well together and in good faith. I was fortunate once again to have the expertise of Berkadia’s Associate Director Connor Wimsatt work with me on this one, and the fact that we were able to secure repeat business so soon with the same groups is evidence of our platform’s success.”

The renovations are expected to be completed by December 2022 and the property is planned to be on the rental market by Spring of 2023.

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 financing 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 extensive 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 of their 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 Pacific6 – www.pacificsix.com

Pacific6 is a Long Beach, California-based investment and development partnership, capitalized at over \$100 million. The partnership's six founders are committed to identifying, investing, and being personally involved in inspiring initiatives that provide both economically and socially positive impacts for the people and communities in which they are located. The current project portfolio includes the award-winning Long Beach Post and the historic Breakers Hotel.