



NEWS RELEASE

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X-Caliber Affiliates Close a \$33.5MM Transaction for California Almond Processing Facility

Companies Execute Another Combined USDA and C-PACE Financing

Irvington, NY – August 30, 2023 – X-Caliber, 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 a \$33.5MM combined transaction for a refinance, a new facility construction, and a renewable energy system for California Custom Processing (CCP) in Madera, CA.

XRC provided \$29.5MM through the USDA’s Food Supply Chain Guaranteed Loan Program and CastleGreen provided \$4MM of Commercial Property Assessed Clean Energy (C-PACE) financing through the California Statewide Communities Development Authority - Open PACE Program (“CSCDA” or the “Program”).

X-Caliber is the only lender in the country that offers a powerful combination of long-term, competitive financing, leveraging both C-PACE and USDA loans. The loan was originated by X-Caliber’s Mike Hammond, Executive Managing Director, Origination.

The current CCP almond processing facility is 65,000 square-feet. The USDA loan will be used for the refinance of the property owner’s debt and to finance the new facility construction of an adjacent 52,500 square foot building.

“We are pleased to provide long-term financing for our partners at CCP to support the growing almond industry,” says Jordan Blanchard, X-Caliber Rural Capital Co-Founder and Executive Manager. “The combination of this USDA Food Supply Chain Loan plus C-PACE financing is a winning formula that delivers a competitive financing package for our client while supporting the environment and the retention of permanent jobs in Madera and surrounding communities.”

The C-PACE structure will finance the renewable energy improvements, including a rooftop solar array and battery storage on the existing facility, as well as seismic resiliency improvements for the facility expansion. The solar is estimated to produce 1.5 million kWh annually, which is equivalent to a CO2 emissions reduction of 1,067 MT/yr. Electricity bill savings are projected to be over \$14.3 million over the lifetime of the system.

“CastleGreen is pleased to help support California’s vital almond industry by teaming up with its USDA affiliate, X-Caliber Rural Capital, and with an industry leader in the almond processing business to provide an effective capital structure that supports a sustainable energy design and significantly reduces operational costs,” said Sal Tarsia, Managing Partner at CastleGreen Finance. “Combining a USDA and C-PACE structure under one roof provides an innovative, long-term financing solution that delivers strong economic and positive environmental impact.”

California produces 80% of the world’s almonds and CCP provides a wide range of almond processing services including, but not limited to, blanching, steam pasteurization, dry roasting, slicing, slivering, and flour production.

CCP Chief Financial Officer Leighton Allen says the hybrid financing provided a competitive long-term solution, with significant overall operational savings.

"A strategic blend of a C-PACE structure and a USDA loan created a powerful hybrid financing solution, delivering both long-term competitiveness and remarkable operational savings. It's a smart move that brings significant financial benefits while supporting our environment and local jobs market."

The new expansion is slated to be completed by 2025 and is expected to retain 48 full-time jobs.

This is the second combined transaction that supports the almond industry. In October 2022, XRC and CastleGreen closed on a combined \$52MM transaction that paired a USDA Food Supply Chain Guaranteed Loan with a C-PACE financing for the construction of a new 254,000 square foot cold storage facility in Madera.

About USDA Lending and C-PACE Financing

USDA loans offer innovative solutions to eligible borrowers in rural areas with competitive terms through four, 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 those with populations of 50,000 residents or less based on the last census and not contiguous with an adjacent populated area.

C-PACE financing provides property owners funding to finance projects that include energy efficiency, renewable energy, water conservation, and resiliency improvements. The unique C-PACE financing allows borrowers to repay the cost of eligible improvements over time through a voluntary tax assessment. This structure provides a long-term, low-cost financing option coupled with the ability to transfer repayment of the assessment to the next owner.



About X-Caliber

X-Caliber is a nationally recognized commercial real estate finance franchise whose affiliate companies provide direct mortgage lending, servicing, advisory, and investment opportunities leveraging expansive and innovative lending platforms that offer FHA, bridge, USDA, and C-PACE financing.

X-Caliber is focused on providing clients with the best capital solutions available to achieve their business goals, while focusing on some of the nation's greatest challenges – affordable housing, the environment, care for our seniors, and rural businesses.

X-Caliber has executed billions in loan transactions and has several business lines including X-Caliber Capital LLC, the FHA lender and servicer; X-Caliber Funding LLC, a bridge to HUD platform; CastleGreen Finance, focused on Commercial Property Assessed Clean Energy (C-PACE) financing; X-Caliber Rural Capital, a USDA-licensed lender; X-Caliber Investment Management, a specialist investment firm; and X-Caliber Advisors, a commercial real estate advisory firm.

X-Caliber and its affiliates have team members located in 11 states across the country.

About CastleGreen Finance

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

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

About California Custom Processing

Since 2012, California Custom Processing (CCP) has provided expanding options for almond growers, distributors, and end users for processing their harvested almonds into finished products. The various treatments and finishes available at CCP, coupled with an experienced team, deliver industry-leading commodity processing.

California Custom Processing offers a one-stop location for all manufacturing needs including, but not limited to; blanching, steam pasteurization, dry roasting, slicing, slivering, and flour production. CCP specializes in providing low moisture blanched almonds for use in the almond milk and almond butter industries. CCP processed almonds can be found in products around the globe.