



## **X-Caliber affiliates close a \$33.5 million transaction for California almond processing facility**

August 29, 2023 - National News

Jordan Blanchard

Madera, CA 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 \$33.5 million combined transaction for a refinance, a new facility construction, and a renewable energy system for California Custom Processing (CCP).

XRC provided \$29.5 million through the USDA's Food Supply Chain Guaranteed Loan Program and CastleGreen provided \$4 million of Commercial Property Assessed Clean Energy (C-PACE) financing through the California Statewide Communities Development Authority - Open PACE Program ("CSCDA" or the "Program"). The loan was originated by X-Caliber's Mike Hammond, executive managing director, Origination.

The current CCP almond processing facility is 65,000 s/f. 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 s/f building.

"We are pleased to provide long-term financing for our partners at CCP to support the growing almond industry," said 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.

Sal Tarsia

“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 CFO Leighton Allen said 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.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540