

Madison County, Florida

\$25MM

USDA Business & Industry (B&I)
Guaranteed Loan Program

New Construction

BAF Florida, LLC

Project Overview

BAF Investments, LLC, BAF Holdings, LLC, and BAF Florida, LLC (together, "BioActive Forages") are developing an animal feed pellet production facility on nearly 10 acres in Madison County, Florida.

The project includes facility construction and the installation of equipment to produce premium composite pelletized feed made from a proprietary blend of ingredients. The loan is structured as a construction-to-permanent loan, with conversion to permanent terms following the completion of construction. The loan use includes improvements, equipment, working capital, and soft costs.

Underwriting was supported by supply and offtake letters of intent, reflecting strong demand for the project. The project will create 40 new jobs and preserve three existing jobs, adding skilled roles in value-added agriculture and rural manufacturing.



Value-Driven Financing Solution

X-Caliber Rural Capital closed a \$25MM USDA B&I loan as part of a New Markets Tax Credit (NMTC) structure for BioActive Forages. The financing supports facility construction, equipment, and working capital.

The capital mix includes:

- **USDA B&I Senior Loan: \$25MM**
The USDA guaranteed loan provides long-term financing for a specialized agricultural manufacturing facility in a rural county. The guarantee supports lender appetite for a larger position and allows repayment to track the useful life of the plant and equipment and the time needed to move from commissioning to stable throughput and earnings.
- **New Markets Tax Credits**
An allocation of \$13.7MM resulted in BioActive Forages' capital stack including \$11MM in NMTC proceeds. These funds enhance the financing package by reducing effective leverage and helping satisfy equity requirements, which is especially valuable for rural operators whose businesses drive economic activity in areas with limited opportunities.

In this structure, the USDA B&I loan sits at the operating-company level and outside the core NMTC leverage structure. That design keeps the senior credit clear to underwrite and service while still allowing the project to capture NMTC benefit at the enterprise level.

Key Benefits

- 01** Combines USDA B&I, NMTC, and equity to align long-lived assets and a multi-year ramp with patient, program-aligned capital.
- 02** Supports delivery of the development plan: two production lines and \$8MM in working capital to serve supplier and customer commitments.
- 03** Creates 40 new jobs and preserves three jobs in Madison County, expanding the regional agricultural value chain and the area's core economic engine.

Together, these components turn a high CapEx rural build into a financeable plan: long-term senior debt backed by USDA, NMTC proceeds that improve the project's economics and satisfy the equity load, and complementary tools that support both delivery and long-run viability. The structure keeps the full project scope intact, supporting two production lines and meaningful working capital rather than forcing a smaller plant or thin liquidity under a conventional-only approach.



X-Caliber Rural Capital helped us put together a USDA B&I loan alongside New Markets Tax Credits in a way that worked for our project and kept the financing straightforward. That gave us the support we needed for our facility, equipment, and working capital so we could move ahead with the project."

Greg Stewart

Co-Founder | BioActive Forages



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