



Astara Capital Partners Completes Investment in Cross City Lumber, LLC

NEW YORK, April 15, 2021 – Astara Capital Partners, LLC (“Astara”) announced today that it has acquired a majority stake in Cross City Lumber (“CCL”). Based in Cross City, Florida, CCL is a Southern Yellow Pine sawmill that manufactures specialty and dimensional grades of lumber. The company will continue to be led by its current senior management team, including Daniel Dickert, Mike Tate, and Wes Grant, all of whom worked together at nearby Suwannee Lumber Company (“Suwannee”).

Bob McKagen of Astara has joined the company as its CEO. Mr. McKagen has decades of experience as a senior executive in both the manufacturing and distribution of wood-based building products. Mr. McKagen commented “Astara is excited to be partnering with this team of talented managers, and I’m personally thrilled to be working with many of the same people I got to know as CEO of Suwannee. Daniel, Mike, and Wes did a terrific job restarting CCL and positioning it for future growth. We and they share a vision for growing the capacity of this mill, making it more efficient and growing its customer base”.

Daniel Dickert led the restart of CCL in 2018 and remains an owner and manager of the company. Mr. Dickert remarked “We’re pleased to be working with the team at Astara and share their vision for investing in Southern Yellow Pine mills. While CCL’s dedicated group of employees has accomplished a lot over the last few years, having a strong financial partner like Astara will allow us to do even more.”

Astara leveraged its network of sawmill executives to source the opportunity and to underwrite a series of capital projects that will substantially increase the capacity of CCL and significantly reduce its breakeven point. In addition, Astara is actively seeking and evaluating investments in other Southern Yellow Pine mills in the Southeast U.S. that will complement CCL.

The team at Astara is pleased to complete its second investment in 3 months. “I would like to thank the Limited Partners who supported this investment” said Michael Ranson, Managing Partner of Astara. “As with our recent investment in Garlock Printing & Converting, CCL benefited from strong investor interest. We are thankful to have developed these strong relationships and to have made two investments less than a year after forming Astara. We are also thrilled to be investing in an industry that fosters sustainability. The pine forests in the southern U.S. are a massive, renewable resource. The carbon-capture benefits of building with lumber are underappreciated and stand in contrast to the carbon emissions generated by alternative construction materials.”

M₂O Private Fund Advisors (“M₂O”) served as placement agent, while Robinson Bradshaw & Hinson, PA served as legal advisor to Astara. Debt capital was provided by KeyBank.

More information about Astara can be found at <https://astaracapital.com/about/>.