



For Immediate Release

Off-Market Northridge Acquisition Continues Paragon Commercial Group's Steady Acquisition of California Retail Properties

EL SEGUNDO, CA – June 7, 2017– Paragon Commercial Group LLC (“Paragon”) and Canyon Partners Real Estate LLC® (“Canyon”) announced today that it closed on the acquisition of Northridge Plaza Shopping Center, a 240,000 square-foot neighborhood shopping center in Northridge, California. The off-market acquisition of Northridge Plaza comes on the heels of Paragon’s five retail acquisitions in 2016 and continues Paragon’s steady pace of acquiring urban infill retail centers in its programmatic joint venture with the Canyon Catalyst Fund (“CCF”), the CalPERS real estate emerging manager program managed by Canyon Partners Real Estate.

“Northridge Plaza is representative of our Catalyst Fund strategy to acquire and revitalize older urban infill retail centers,” said Jim Dillavou of Paragon. “The location, density, historical leasing strength, and strong tenant sales of this asset are ideal mitigants to the general retail headwinds we are seeing in the market today.”

Northridge Plaza was previously owned by the family of the original developer and this sale marks the first time the center has traded since it was constructed in 1980. Anchored by Target and Kohls, Northridge Plaza includes 6 buildings situated on 16.85 acres of land on the corner of Corbin Avenue and Nordoff Way in one of the strongest retail submarkets in Los Angeles. Northridge Plaza is currently 100% leased and enjoys a lengthy history of being one of the dominant centers in the San Fernando Valley.

“The viability and durability of retail shopping centers is a highly localized analysis. Overly simplistic generalizations relating to the challenges of retail will continue to create uncertainty in the market and therefore buying opportunities,” continued Dillavou. “We will continue to acquire retail on a risk adjusted basis throughout California.”

In addition to Target and Kohls, Northridge Plaza is also home to 15 other retail tenants including Wells Fargo, Bob’s Big Boy, Subway and Fallas Paredes.

About Paragon Commercial Group LLC

Paragon Commercial Group acquires, develops and manages high-quality, value-add retail investments anchored by best in class retailers in high barrier to entry markets yielding attractive risk-adjusted returns to Paragon’s investors and stakeholders. Paragon strives to create value through socially responsible and sustainable development and by working closely with its constituencies and municipalities throughout California.

About Canyon Partners Real Estate LLC

Canyon Partners Real Estate (CPRE) is the real estate direct investing arm of Canyon Partners, LLC. Founded in 1990, Canyon Partners is an investment management firm headquartered in Los Angeles, with approximately \$23 billion of AUM. CPRE focuses on providing value-added and opportunistic equity and debt capital to real estate owners, operators, developers, and lenders where sensitivity to time and complication are paramount. Since inception, through its distinct real estate investment platforms, CPRE has invested over \$6.3 billion of capital in over 250 commercial real estate and mortgage transactions with a total capitalization of \$16.5 billion. For more information visit: www.canyonpartnersrealestate.com.

About the Canyon Catalyst Fund

The Canyon Catalyst Fund is a discretionary separate account managed by Canyon Partners Real Estate on behalf of the California Public Employees' Retirement System (CalPERS) which facilitates \$750 million of investment through the identification of real estate emerging managers with niche strategies, a demonstrated track record and strong potential to access unique investment opportunities. This platform is intended to cultivate the next generation of institutional real estate talent and CPRE, in its capacity as account manager, sources, selects and manages talent, while also maintaining oversight of all platform investments.

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