



## **Paragon Commercial Group Continues Expansion of Retail Portfolio with Grocery-Anchored Acquisition in Sonoma County, California**

**Petaluma, Calif. – December 8, 2021** – Paragon Commercial Group LLC (“Paragon”) and Canyon Partners Real Estate LLC (“Canyon”) today announced the acquisition of Washington Square, a 215,761 square foot, multi-tenant grocery-anchored retail shopping center in Sonoma County, California. This acquisition marks the ninth investment completed by Paragon and its joint venture with Canyon Catalyst Fund (“CCF”), the CalPERS real estate emerging manager program managed by Canyon, and Paragon’s fifth retail acquisition in 2021.

Washington Square is a dominant shopping destination for Sonoma County that is anchored by one of the top performing Safeway locations in the Bay Area. The center enjoys very low historical vacancy and features strong junior anchor and shop tenants including Bank of America, Wells Fargo and WestAmerica Bank, Planet Fitness, Party City and Pet Food Express. Paragon is in discussions with additional anchor tenants for the one remaining vacant junior anchor space in the center, and plans to institute an extensive capital improvement program that will update and modernize the shopping center.

“The expansion of our retail portfolio throughout 2021 continues to demonstrate that neighborhood-serving retail is a strong performing subsector within the broader retail category,” said Jim Dillavou, Principal, Paragon. “As we modernize the center over the next 18-24 months, our roster of shop tenants will grow and we expect this center will become the neighborhood center of choice in Petaluma, a key market within Sonoma County.”

“This property has been on Paragon’s radar for some time given its accessible location and robust tenant roster,” said Patrick McGaughey, Director of Investments for Northern California for Paragon. “We would like to thank Roman Benvenuti and Bill Palmer of Palmer Capital, as well as the entire seller team, for a seamless transaction. We look forward to leveraging our on-the-ground market expertise to achieve the business plan designed for this asset.”

Originally developed in 1971 and owned by the same company for 35 years, the property is located on highly trafficked corner of South McDowell Boulevard and East Washington Street, on the North Bay Retail Corridor.

### **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**

Founded in 1991, Canyon Partners Real Estate LLC® is the real estate direct investing arm of Canyon Partners, LLC, a global alternative asset manager with over \$27 billion in assets

under management. With 30 years of experience, Canyon has established a broad menu of real estate investment capabilities spanning debt, value add, and opportunistic strategies across property types, U.S. regions, and project stages (including development, transitional, and distressed/workouts). For more information visit: [www.canyonpartners.com](http://www.canyonpartners.com)

### **About Canyon Catalyst Fund**

The Canyon Catalyst Fund is a discretionary separate account managed by Canyon on behalf of the California Public Employees' Retirement System which facilitates 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 Canyon, in its capacity as account manager, sources, selects and manages talent, while also maintaining oversight of all platform investments.

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