

**Canyon forms new JVs with Paragon, Citi**

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18 November 2015

"The investment firm inked deals with two existing partners for further expansion into multifamily and retail properties.

The real estate arm of Canyon Partners announced two joint ventures this month in partnerships that will take the Los Angeles-based investment firm from California to Florida to Illinois.

Canyon Partners Real Estate expanded its partnership with Citi Community Capital to form a second fund (CMIF II) in their Canyon Multifamily Impact Fund (CMIF) Strategy. The firms will invest $50 million in multifamily buildings through CMIF II in underserved urban areas in California, Illinois and Florida, they announced last week. The firms purchased 2,345 units I in Los Angeles and Chicago in 2013 and 2014.

“CMIF I has improved lives of residents in these communities by offering updated amenities, enhanced security, and afterschool and educational programs,” said Richard Gerwitz, Citi Community Capital’s co-head, in a statement. “Launching a second fund will allow us to continue and expand our focus on community development projects.”

On Tuesday, Canyon, which manages about $23 billion in assets, announced it extended another partnership, this one in California. The firm said it has entered a second joint venture with Paragon Commercial Group, a development firm based in El Segundo, California, to buy between $60 million and $100 million in California retail properties through the Canyon Catalyst Fund. This vehicle is part of the California Public Employees’ Retirement System (CalPERS) emerging manager program, a platform to grow real estate talent under the auspices of the country’s biggest pension plan.

Paragon and Canyon formed their original partnership in July 2013 with the same investment target. The firms made their first acquisition in April 2014, buying a shopping center in Rancho Mirage, California, and have invested all the capital from the first fund.