

# AUSTIN BUSINESS JOURNAL

## Real estate investment firm heavily involved in Flatiron Domain closes on \$325M fifth fund

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Stonelake Capital Partners LLC – a Dallas-based private equity firm that has invested heavily in Flatiron Domain in Austin – has closed its fifth fund, raising more than \$325 million for investments in Texas real estate.

Stonelake has now raised more than \$1 billion since it was founded in 2007 by real estate advisers Kenneth Aboussie and John Kiltz.

The firm is looking to invest in multifamily, industrial and office buildings in Dallas, Austin and Houston.

Aboussie said they have already found five deals for the new fund but couldn't disclose details on the properties yet. They plan to put in between \$5 million and \$40 million per deal.

Stonelake is one of the partners in the Domain Tower at Braker Lane and Burnet Road; now that the high-rise is complete, Stonelake and HPI Real Estate plan to erect two more buildings next door.

Stonelake has also partnered with StreetLights Residential to construct the Flatiron Domain apartments nearby.

“The general view from institutional

A rendering of Flatiron Domain apartments being developed by Stonelake Capital Partners and StreetLights Residential

investors is the economy in the major cities in Texas will continue to outperform the economies of most other major markets,” Aboussie said in an email to the Dallas Business Journal.

The firm had been aiming to raise \$300 million for the fund — first reported on by the DBJ in November. Outside investors, counting university endowments, private foundations and hospital systems, piled in \$319 million. Stonelake itself put in another \$6.9 million.

The fund's closing comes as investors

are searching for real estate deals in resilient local economies in case of a slowdown or further shakeups in the stock market.

Industrial properties in particular have been experiencing a boom as e-commerce retailers are in need of more warehouses and distributions centers.

The vacancy rate on industrial buildings in Texas fell below 6 percent during the first three months of the year, according to real estate brokerage CBRE Group Inc.