

EXCLUSIVE

Stonelake To Break Ground on 222-Unit Apartment Complex in East Austin

Developer To Start Second Phase of Large Multifamily Development in Texas Capital City



Stonelake Capital Partners announced it will break ground on Trailhead East, a 222-unit apartment complex in East Austin, Texas. (Stonelake Capital Partners)

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The East Austin, Texas, market continues to be a destination for real estate investment, with a local developer planning to break ground on the second phase of a 530-unit apartment project after receiving a construction loan.

Austin-based Stonelake Capital Partners will begin construction on [Trailhead East](#), a 222-unit apartment complex at the corner of Shady Lane and Bolm Road. The apartment complex is the second phase of a multifamily development that Stonelake began working on just before the pandemic. Phase one, a 308-unit apartment complex known as [Trailhead](#), came online in summer of 2020. Trailhead is 96% leased, according to a Stonelake statement.

Trailhead East should be completed by the summer of 2024. Construction financing is being provided by Comerica Bank. A Stonelake spokesperson declined to provide further details about the construction loan.

Stonelake picked East Austin to develop the apartments because the market is “experiencing strong and growing housing demand,” the spokesperson said. Trailhead and Trailhead East sit on a combined 12 acres. Stonelake acquired the site through four separate transactions.

Both Trailhead and Trailhead East are about one block from [Springdale Green](#), an office development being built by The Jay Paul Co. Springdale Green features two six-story buildings with 870,700 square feet of office space at the corner of Springdale Road and Airport Boulevard. It is one of the largest developments in East Austin. Also nearby is another brand-new office development, the 233,577-square-foot [Eastlake at Tillery](#).

As for Trailhead East, the apartment complex will feature a fifth-floor lounge and terrace, 4,100 square feet of coworking spaces with conference rooms, a fitness center and pool. The apartment complex will be adjacent to the 26-acre Govalle Park, which has a basketball court, pool and access to a 30-mile trail.

Stonelake, which was founded in 2007, now has 8,155 units under management or in development in Texas, including in Austin, Dallas and Houston. Stonelake is also developing or has developed 27.9 million square feet of industrial warehouses and 3.3 million square feet of office buildings in several states.

One of those office buildings is [Domain Tower 2](#), which is the tallest building in The Domain, a mixed-use development in North Austin that is commonly referred to as Austin's second downtown.

Stonelake confirmed last week that PayPal signed the first lease at Domain Tower 2, which is located at 1025 Alterra Parkway. The e-commerce company committed to the top two floors of the 24-story, 330,000-square-foot building.