

HOUSTON BUSINESS JOURNAL

Stonelake Capital Partners closes \$555M real estate investment fund

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Stonelake Capital Partners, a real estate investment firm with offices in Austin, Dallas and Houston, has closed a \$555 million opportunistic real estate fund.

The original goal for the fund was \$500 million, Stonelake Capital Partners said. But the firm exceeded that goal by \$55 million, with \$545 million coming from institutional investors and another \$10 million coming from Stonelake as the general partner.



“Stonelake VI was primarily raised during 2020. In a year of uncertainty, we are grateful for the trust and loyalty from our institutional investors and the confidence they continue to place with us,” said Kenneth Aboussie, managing partner for Stonelake. “We believe Stonelake’s investment track record is a testament to our focused strategy and our dedicated team of professionals. Over the last 15 months, Stonelake aggressively invested to take advantage of opportunities created from the short-term dislocation in the capital markets created by the pandemic. This has positioned Stonelake VI to generate attractive, risk-adjusted returns to our partners.”

The fund is Stonelake Capital Partners’ sixth opportunistic real estate fund. The previous fund, Stonelake Opportunity Partners V LP, closed in July 2018 with \$326 million in total equity commitments.

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Stonelake Capital Partners plans to use its latest fund to target industrial warehouses, Class A multifamily and Class A office developments in walkable environments located in Texas and across select Sunbelt markets. Over the past 15 months, Stonelake Capital Partners has already committed more than 60% of Stonelake VI's equity commitments across eight separate investments, the company said.

Goodwin Procter LLP out of Boston served as Stonelake Capital Partners' fund formation counsel. The \$200 million subscription-secured credit facility to Stonelake VI was led by J.P. Morgan Chase along with three co-lenders: Truist Bank, Comerica and Citizens Bank. Stonelake did not engage a placement agent in connection with the fundraise of Stonelake VI, as was the case for all previous fundraises, the company said.

Stonelake Capital Partners owns, is developing or has developed over 20 million square feet of industrial warehouses; 6,100 Class A multifamily units; and 3 million square feet of Class A office buildings. Stonelake manages institutional capital through discretionary private equity investment partnerships and counts among its investors some of the United States' largest college endowments, hospital systems, pension funds and private foundations. Over the past 14 years, Stonelake has raised \$1.6 billion of equity across its six private equity funds.

Among the properties Stonelake Capital Partners owns in Houston is 200 Park Place, at 4200 Westheimer Road, which topped out in November 2019.

Last year, 200 Park Place scored a coup when it was announced that Chicago-based commercial real estate firm JLL (NYSE: JLL) would be consolidating its entire Houston operation into a single headquarters office in the building.

JLL will occupy 81,990 square feet on three floors of the new 15-story, 210,000-square-foot office tower. The company's offices in the building will be connected by a three-story staircase.

JLL Houston President Dan Bellow told the Houston Business Journal in May that the buildout of its new headquarters is nearing completion.

200 Park Place also won a Houston Business Journal 2021 Landmark Award in the office category.