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## The CapStreet Group Closes Third Fund at \$178 Million

HOUSTON--([BUSINESS WIRE](#))--The CapStreet Group, LLC, a Houston-based, lower-middle market private equity firm, has completed its final close for CapStreet III, L.P., reaching total commitments of \$178 million. CapStreet III's investors consist of financial institutions, pension funds, insurance companies, funds of funds, and family investment offices.

"We are very pleased to have the support of such a high quality group of investors, particularly during a challenging fundraising environment," said George Kelly, CapStreet's Chairman and CEO.

CapStreet III has already invested approximately 30% of its capital commitments in three platform investments: GHX Holdings, LLC, Trinity Steel Holdings, LLC, and Thorpe Holdings, LLC. GHX, based in Houston, Texas, is a value-added fabricator and distributor of industrial gaskets and hoses with operations throughout the United States. Trinity Steel, based in Trinity, Texas, is a provider of structural steel fabrication services to the industrial and power markets. Thorpe Holdings, LLC, based in Houston, Texas, distributes industrial insulation, refractory and acid masonry products and provides related design, engineering, and installation services to the petrochemical, refining, alumina, waste incineration and utility industries.

"These first three investments in Fund III represent a group of outstanding, diverse companies with tremendous potential, but we remain interested in identifying more opportunities for rounding out our portfolio and continuing our focused investment strategy and exceptional investment performance," said Kelly.

According to Kelly, that strategy means continuing to focus on making control investments in partnership with family-owned and other privately-held businesses that are headquartered in Texas and the Sunbelt states. CapStreet targets companies with initial EBITDA between \$5 million and \$15 million and works closely with the management of these companies to help build much larger and more profitable enterprises. Since inception, CapStreet has completed 30 portfolio company investments and has achieved a 3.0x gross return multiple on all invested capital.

"CapStreet has a 20-year history of successfully building businesses in a variety of industries," he added, "and our strategy in approaching our investments and partnering with management teams to improve their businesses is extremely consistent."

Some of the firm's past portfolio companies include Trajen Holdings, an owner of fixed base operations for the private aviation industry (acquired by Macquarie Infrastructure Group); Sprint Industrial, a provider of bulk storage containers and safety equipment to industrial end markets (acquired by First Atlantic and Goldman Sachs); Switch and Data Facilities, a leading provider of data centers and internet exchanges services (acquired by Equinix); and Worldwide Holdings, an environmentally-friendly designer and marketer of pet products; American Tower, an owner and operator of wireless and broadcast

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communication infrastructure (NYSE: AMT); and Cardtronics, the largest independent owner and operator of ATM machines (NASDAQ: CATM).

### **The CapStreet Group, LLC**

Founded in 1990, [The CapStreet Group](#) focuses on control investments in family-owned and other privately-held businesses headquartered in Texas and the Sunbelt states. Since inception, the firm has raised more than \$650 million, made 30 portfolio company investments, and has completed more than 250 add-on acquisitions for these companies.

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