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Stonelake revives plans for Uptown office tower next to Whole Foods

Construction financing secured for 17-story high-rise

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Stonelake Capital Partners LLC has secured construction financing for a new 17-story Uptown tower and plans to start construction in July, bringing even more real estate development to one of Dallas' hottest submarkets.

The real estate private equity firm said June 24 it obtained financing for the proposed 2626 McKinney high-rise from Bank OZK. Financial details of the loan were not disclosed.

Alabama-based Brasfield & Gorrie will serve as the general contractor for the 180,841-square-foot tower. The firm is no stranger to North Texas, as it was the general contractor for both Old Parkland and Omni PGA Frisco.

Stonelake is providing 100% of the equity for the tower that will have 173,774 square feet of rentable office space and more than 7,000 square feet of ground-floor retail. Construction is estimated to last 19 months and wrap up in 2028.

Kenneth Aboussie Jr., Stonelake's managing partner, said the firm is currently negotiating with "multiple tenants" and expects to announce leases in the coming months.

Stonelake bought the Uptown site, next to Whole Foods Market, in 2021. In 2023 it revealed plans for a tower of roughly the same size that the firm said could open in 2025, but construction never began. Then in 2024, Stonelake demolished the existing office building on the site.

The new high-rise will feature a glass exterior with upscale interior finishes, according to the announcement. The entry along McKinney will include a covered hospitality-style valet area and landscaped walkways and plazas. The amenity level, located on the 11th floor, will include a lounge, flexible conference and event space, a kitchen for events and a landscaped terrace offering views of the Dallas skyline. The fitness center will include cardio and strength training areas, men's and women's locker facilities, a flexible studio with an integrated smart trainer and a fitness-focused outdoor terrace.

Even as plenty of questions swirl about the future of office towers, Uptown has remained a top destination for such projects. That's especially true for financial services firms, with the Texas Stock Exchange planning to set up shop in the new Bank of America Tower at Parkside. More recently, it was revealed that Morgan Stanley was considering putting a more than $700 million regional headquarters at the site of Truluck's and the old Gold's Gym, just down McKinney from Stonelake's project.

Stonelake has developed about 1.45 million square feet of office space in Texas, including numerous high-rises in Austin like the 15-story Domain Tower leased entirely by Indeed, the 24-story Domain Tower 2 leased to PayPal and Samsung and the 47-story 415 Colorado downtown.

Stonelake owns, is developing or has developed more than 34 million square feet of industrial warehouses, 8,155 multifamily units and 1.45 million square feet of office buildings. Last year, the firm sold an industrial portfolio with 91 properties across the U.S. totaling nearly 7.6 million square feet for $920 million.

2626 McKinney could rise 17 stories on a vacant McKinney Avenue parcel.

The older office building at the northeast corner of McKinney Avenue and Routh Street in Uptown was demolished on Aug. 15, 2024.