

# Loan backing downtown Dallas tower could take hit from AT&T's coming move

Fitch Ratings: Losses expected on loan as AT&T plans to depart Whitacre Tower



The loan backing Whitacre Tower, seen at right with the blue AT&T logo near the top, could see valuation declines. (CoStar)

By **Candace Carlisle**

CoStar News

March 10, 2026 | 3:53 P.M.



AT&T Inc.'s coming departure from its downtown Dallas office campus could have a ripple effect on its leased real estate, with Fitch Ratings analysts noting anticipated losses tied to a loan pool in part because of the telecom giant's move.

Fitch Ratings' downgrade of the loan revises the analysts' outlook from stable to negative, an action driven primarily by "higher expected losses" from AT&T's leased office tower in downtown Dallas, Fitch Ratings said in its report. The increased loss expectations reflect AT&T's plans [to relocate its headquarters](#) and vacate Whitacre Tower, among other downtown buildings, according to analysts.

A Fitch Ratings official confirmed the report and the property as being [Whitacre Tower](#) but declined further comment to CoStar News.

The 37-story Whitacre Tower, formerly known as One AT&T Center, is owned by entities tied to Dundon Capital Partners and Woods Capital, an affiliate of Pacific Elm Properties.

Pacific Elm CEO Billy Prewitt told CoStar News the firm plans to continue operating the office tower through AT&T's lease, which runs through 2031.

"We can't do anything with it until 2032 at the earliest and we don't really know what the context of downtown [Dallas] will be yet," Prewitt said. "We'll just try to be a good landlord and focus on our other projects until we get a little bit closer to the lease expiration, when we can start doing some planning in earnest."

---

## Related Content



[AT&T lands Dallas suburb's biggest incentive package yet for new headquarters > >](#)

---

Dundon Capital Partners did not immediately respond to a media request from CoStar News. Prewitt recently [took the helm](#) of Pacific Elm Properties so the

former CEO could focus on a new venture.

Fitch Ratings analysts said the loan "could see further valuation declines given the challenges to stabilization and increasing headwinds in the downtown Dallas office market."

AT&T's lease runs through December 2031, which is three years beyond loan maturity, according to analysts.

The telecom giant has told its employees it [plans to move](#) into its new Dallas-area headquarters campus in the northern suburb of Plano beginning in the second half of 2028. Plano leaders have offered AT&T the city's [largest economic incentive package in its history](#).

The telecom giant's departure from downtown, where it leases four towers comprising 2 million square feet, is expected to cost the area about \$2.7 billion in property value losses, [based on a report last year](#) from Boston Consulting Group.

Downtown Dallas has the highest office vacancy rate in North Texas at 27.3%, according to [CoStar data](#). The city's central business district is plagued by an aging office stock, expensive parking and increased crime, [per a study](#) conducted in partnership with advocacy group Downtown Dallas Inc.

---

Follow us on Social Media

Have feedback or questions? Email us at [news@costar.com](mailto:news@costar.com)

---

## IN THIS ARTICLE

---

### Properties

[Whitacre Tower](#)

208 Akard St, Dallas, TX

### Companies