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## Developer scales back plans for high-rise in downtown Raleigh. Here's why

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Impressions: 1,247,255



*Alchemy Properties*

A New York-based developer is scaling back plans for a previously proposed 36-story, mixed-use tower next to Nash Square Park in downtown Raleigh.

The site was rezoned to allow up to 40 stories, the highest allowed in the city's code. Alchemy Properties says it will now build only 20 stories at 217 W. Martin St. in the city's Warehouse District.

Responding to market headwinds, the company is also scrapping 400 planned rental apartments. Instead, it now plans 82 for-sale, high-end condos and has renamed the project, One Nash Square.

"Two years ago, we frankly took a little more of an aggressive approach," said Ken Horn, Alchemy's president and founder, in a phone call on Tuesday.

"We kind of sat down and said, 'Let's reevaluate.'"

With rising interest rates, now hovering around 4.3%, "it became not as profitable," he said. "[It's] also a lot of rental units to put in one building."

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In 2022, Alchemy, in partnership with New Valley Realty, purchased the property and the adjacent 1-acre vacant lot at 303 S. Dawson St. for \$16 million.

The building at 217 W. Martin St. formerly housed the Berkeley Café, a beloved local spot, which has since relocated, The N&O reported.

Original plans listed the tower's proposed elevation as 429 feet, which would have made it one of the tallest buildings in the city. (PNC Plaza is the tallest building at over 500 feet.)

Now redesigned at almost half the size, the tower will bring one-, two-, three-, and four- bedroom condos, starting at \$795,000. Among the amenities: a pool deck, spa, fitness center, and pet spa. Plans also call for 850,000 square feet of ground-floor retail and 500 parking spaces.

The target audience includes "empty nesters, professionals from local universities, and new transplants to the area from colder climates."

"We believe there will be demand for the type of product we're building," Horn said.

The build-design team includes New York-based Morris Adjmi and Raleigh-based ISG, formerly JDavis. Sales are being handled through Urban Triangle Realty.

Construction is expected to start later this year. First move-ins are slated for mid 2027.

It's the firm's first major project in Raleigh. Across the Triangle, it's developing a 68-unit townhome community at 518 Morehead Ave. near downtown Durham.



*A rendering of One Nash Square at 217 W. Martin St. in the city's Warehouse District. It will bring 82 for-sale condos in early 2027. Alchemy Properties*

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## *Downtown Raleigh's growth*

Amid a post-pandemic construction boom, downtown Raleigh continues to grow.

Some 12 developments are under construction, according to Downtown Raleigh Alliance's 2025 second-quarter market report.

Once complete, they will deliver 953 residential units, 204 hotel rooms and 13,,593 square feet of retail space.

An additional 39 projects have been proposed or are in the planning stage, the report said.

<https://www.newsobserver.com/news/business/real-estate-news/article311578064.html#storylink=cpy>