

To evaluate how the COVID-19 pandemic impacted large office leases, we focused our analysis on the Legal Services industry, using commercial real estate data from 2018 to 2024. We targeted leases 10,000 square feet or larger, as they typically indicate significant corporate occupancy and strategic decisions. The timeline was segmented into three phases: Pre-COVID (before 2020), During COVID (2020–2022), and Post-COVID (2023 onward).

A time-series visualization of total leased square footage by quarter reveals a sharp decline in leasing activity during the pandemic's onset in 2020. Law firms, like many professional services organizations, deferred major real estate decisions amid uncertainty and the rapid shift to remote work. From 2023 onward, leasing activity shows a recovery.

Regional analysis shows that the pandemic's impact varied geographically. Leased square footage increased at different rates across regions post-COVID. The Northeast region—particularly New York—led the recovery, while the Midwest/Central region experienced a decline.

A closer look at the Top 10 legal leasing markets post-COVID highlights Manhattan as the leading hub for legal office space recovery. Within Manhattan, transaction type analysis shows that "Renewal and Expansion" and "Relocation" drove leasing activity. Notably, "Expansion" leases increased, signaling that some law firms are scaling their presence. Meanwhile, a decline in pure renewals may reflect a strategic pivot toward relocation or restructuring over simple lease extensions.

Submarket analysis within Manhattan, based on leased vs available square footage and internal building class, offers further insights. Grand Central, Plaza South, and Times Square South (Class A) submarkets combine high leasing volume with high availability, making them attractive for firms seeking premium space in active corridors. Emerging opportunities exist in Plaza North and East Side/UN, which offer room for negotiation due to moderate demand and high supply. For cost-conscious firms, Soho, Chelsea, and Greenwich Village (Class O) present value-driven options with abundant availability.

In conclusion, while the legal industry is cautiously re-engaging with physical office space, demand has not fully rebounded. The pandemic accelerated long-term trends toward flexibility and strategic relocation, with Manhattan emerging as a focal point for post-COVID legal leasing activity. Tailored recommendations based on submarket characteristics and client priorities can help firms optimize their real estate strategies in this evolving landscape.