

# London Legal Sector Update

Q2 2025

Our quarterly London Legal Sector Update aims to inform real estate decision makers within law firms of competitor activity and emerging best practice.

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## Sector and real estate trends

A round-up of the most disruptive trends shaping law firms and their future real estate requirements.

### Three sector trends

Small and mid-sized law firms are pursuing organic growth, with strong sector fundamentals drawing private equity investment. At the same time, the UK's industrial strategy recognises legal services as a strategic contributor to economic growth.

#### SMALL AND MID-SIZED FIRMS ARE EYEING ORGANIC GROWTH

The [LexisNexis Bellwether 2025 report](#) finds that small and mid-sized UK law firms are cautiously optimistic, with 77% confident about their future. Notably, over half of respondents (58%) reported that their firm has grown compared to three or four years ago, up from 48% in 2024. Furthermore, 39% are planning to hire in the next 12 to 18 months.

#### PRIVATE EQUITY COURTS UK LAW FIRMS

Record profits and consolidation opportunities are driving interest from private equity firms to buy into UK law firms. Nearly £1.2bn has been pumped into the legal sector in the UK by private equity in the past five years. A record £534m was invested in 2024 alone. In May, Trethowans was acquired by a private equity-backed legal services provider, Lawfront, while more recently LDC invested in Harper James.

#### LEGAL SERVICES INTEGRAL TO UK'S INDUSTRIAL AMBITIONS

The UK government's new 10-year Industrial Strategy formally recognises legal services as a "national asset and engine of economic growth" within the professional and business services sector. The plan pledges support for technological innovation, global market access, upskilling lawyers, and justice-system infrastructure funding.

### Three real estate trends

Law firms remain anchored in the City Core, but high-profile moves to Mayfair and Midtown reflect nuances. With 89.1% of Q2 legal take-up in new or refurbished space, the flight to quality remains pronounced.

#### THE CITY CORE'S LEGAL STRONGHOLD PERSISTS

As at H1, the City Core remains the preferred submarket for law firms, accounting for 14 transactions. This is followed by Midtown with seven deals and Soho with two, although both Soho transactions were for spaces under 5,000 sq ft.

#### MCDERMOTT'S STRATEGIC RELOCATION TO MAYFAIR

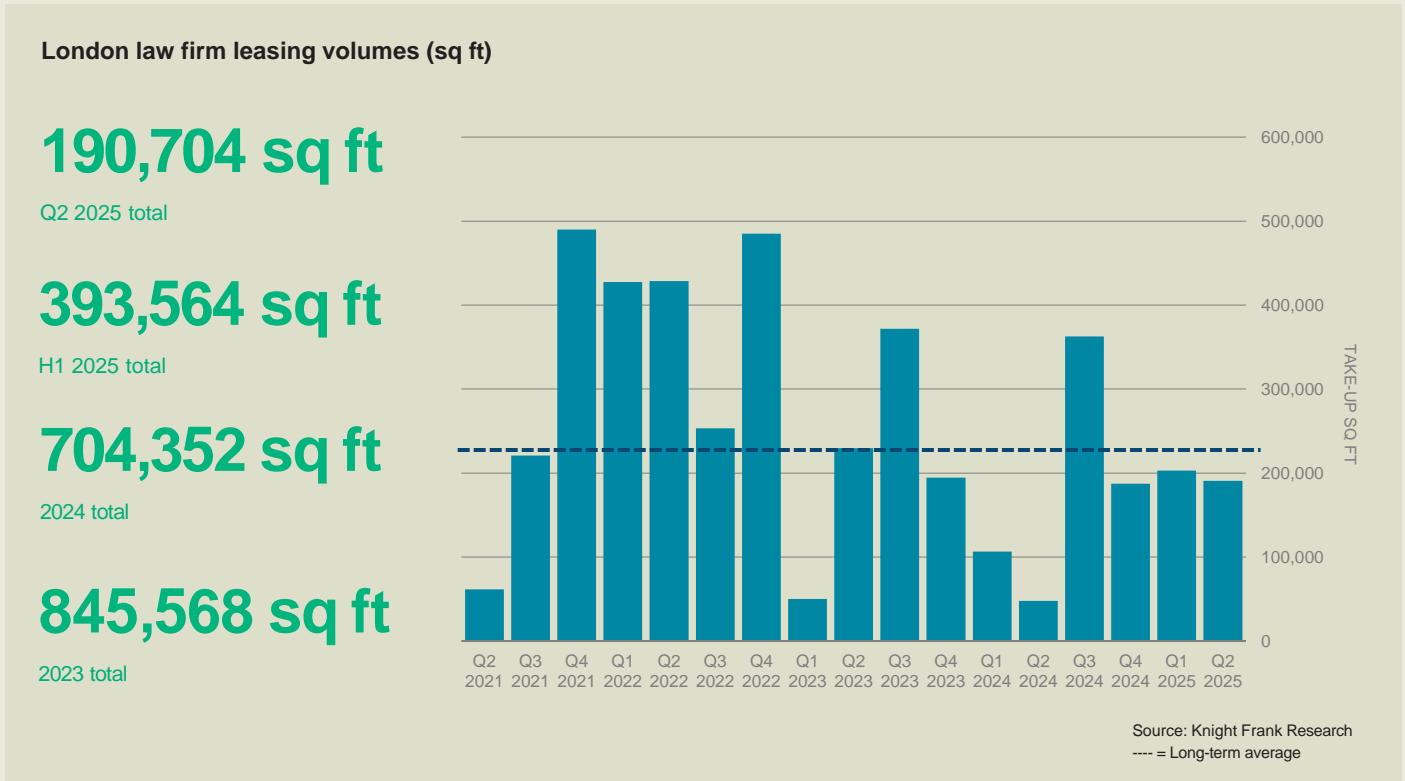
McDermott Will & Emery has signed a 15-year lease for 111,379 sq ft at The Lazari Building in Mayfair, relocating from 22 Bishopsgate. The move will more than quadruple their London footprint. The firm is shifting closer to its core private equity and venture capital clients, while securing space to support its growth. The move will also position them closer to their merger partner Schulte Roth & Zabel.

#### LAW FIRMS DOUBLE DOWN ON QUALITY

The preference for high-quality space remains evident. 89.1% of Q2 legal take-up was for new or refurbished space, ahead of the London Q2 average of 74.3%. This included Akin Gump Strauss Hauer & Feld at 155 Bishopsgate, EC2 and Macfarlanes at Edenica, 100 Fetter Lane, EC4.

# Market intelligence

Looking at who is acquiring space, how much and where; the types of buildings law firms are occupying, with particular attention to building accreditations and certifications, and locational preference and clustering.



## Law firm leasing transactions – Q2 2025

\* = Knight Frank deal – either Landlord or Tenant Representation

Occupier	Grade	Address	HQ Location	Sq Ft	Rent (£ per sq ft p.a.x.)
McDermott Will & Emery*	Comprehensive Refurbishment / Redevelopment	7 Brook Street, W1	US	111,379	Confidential
Akin Gump Strauss Hauer & Feld	Refurbishment	155 Bishopsgate, EC2	US	13,810	£83.50
Burges Salmon	Second-hand, Grade A	6 New Street Square, EC4	UK	11,739	Confidential
Macfarlanes*	New Development	Edenica, 100 Fetter Lane, EC4	UK	10,753	Confidential
DMH Stallard	Refurbishment	Fetter Yard, 86 Fetter Lane, EC4	UK	9,943	£77.50



1.25m sq ft

of active named legal sector demand

# SPECIFICATIONS OF BUILDINGS WHERE LAW FIRMS HAVE TAKEN SPACE



## 7 Brook Street (The Lazari Building), W1

Occupier: McDermott Will & Emery

### Comprehensive Refurbishment / Redevelopment

The building is currently being redeveloped, as Lazari repurposes and extends the old Fenwick department store to create best-in-class office and retail space. It is a short walk from the Elizabeth Line.

At the heart of the project is a commitment to circular economy principles. Approximately 50% of the existing structure and 75% of the historic façades will be retained, with a focus on reusing original materials and integrating recycled content throughout the build.

The Lazari Building will have a double-height entrance, leading into a timber-lined reception and landscaped atrium. External terraces have already been added, along with a rooftop garden and dedicated entertainment space.

*Targeting: BREEAM 'Outstanding', NABERS 5.5\*, highest recorded WELL score in the UK to date, SmartScore Enabled*



## 155 Bishopsgate, EC2

Occupier: Akin Gump Strauss Hauer & Feld

### Refurbishment

There are four tube lines (Metropolitan, Hammersmith & City, Circle, Central), the Elizabeth Line, two major rail stations (Liverpool Street and Moorgate), and four-cycle routes within easy access.

Outside, a range of shops and restaurants extends to Liverpool Street Station. Inside, a double-height lobby features a coffee shop and business lounge. There are also extensive end-of-trip facilities.

The refurbishment used sustainable timber and recycled fabrics to limit the amount of embodied carbon.

*BREEAM 'Very Good', EPC Rating C, WiredScore 'Gold'*



## 6 New Street Square, EC4

Occupier: Burges Salmon

### Second-hand Grade A

6 New Street Square is part of a campus of office buildings, clustered around public realm and retail amenities.

In addition to modern end-of-trip facilities, the building features four-pipe fan coil air conditioning and energy-efficient LED lighting throughout. The property is powered entirely by 100% renewable energy.

Farringdon, Chancery Lane, and City Thameslink stations are all within a ten-minute walk.

*BREEAM 'Excellent'*



## Edenica, 100 Fetter Lane, EC4

Occupier: Macfarlanes

### New

The building is fully electric, using air source heat pumps for heating, cooling and hot water, and generating on-site renewable energy via rooftop PV panels. A blue roof system with smart attenuation and rainwater harvesting supports water management. Energy use is less than half that of a regulations-compliant building. It achieves net zero in both construction and operation. Materials have been chosen to enable future reuse.

SMART infrastructure supports mobile monitoring and control of lighting, temperature, energy and water, with contactless access throughout. Landscaped terraces, end-of-trip facilities, biophilic design, access to a sunken garden and abundant daylight and ventilation enhance wellbeing.

Within a 10-minute walk of City Thameslink, the Elizabeth Line, and key London Underground and Overground stations.

*BREEAM 'Outstanding', EPC Rating A, SmartScore 'Platinum', WELL 'Platinum Enabled', WiredScore 'Platinum'*



# NEW LAW FIRM LEASES



We like questions, if you've got one about our sector insight, or would like some property advice, we would love to hear from you.



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