

A photograph of the Minneapolis skyline, featuring several prominent skyscrapers, viewed from across a river with a bridge in the foreground. The sky is clear and blue. A vertical teal line is on the left side of the page.

2025 *Minneapolis* Law Firm Review

CBRE

2025 Recap

Real Estate strategies are often driven by business expansion and the need to attract and retain top talent. As a result, law firms are balancing cost reduction priorities with investments in culture and workplace experience. Space optimization objectives achieved through digitization/reduced file retention and standardized office sizes remain important, but real estate strategies are evolving toward purposeful, culture-driven investment. At the same time, operational efficiencies resulting from modernization of space and AI adoption have the potential to transform the industry long term.

INDUSTRY TRENDS

Space Modernization

Renovating to meet new design standards was the primary strategy to optimize real estate. Increased adoption of universal office sizes and tech-enabled administrative space upgrades. Talent and workplace experience are the top real estate drivers, outranking cost savings.

Expense Growth

Technology spending and talent costs are rising rapidly with firms aggressively investing in AI capabilities while simultaneously expanding their headcount. While AI utilization in other industries may result in layoffs to promote efficiency, AI in the legal industry may make lawyers more efficient which could make manpower more valuable not less.

Demand for Legal Services

The US legal market experienced some of the strongest demand growth in more than a decade, driven in part by regulatory shifts and geoeconomic instability. The profits per lawyer of AM 100 firms soared as these firms increasingly concentrated on delivering on the highest-priced work. Smaller firms also capitalized as many clients moved work from the most expensive firms to lower-cost providers.

Artificial Intelligence (AI)

AI is increasingly being used to support firm operations like billing, scheduling, and financial decision-making. However, firm wide adoption lags due to policy and ethical concerns.

Business Model Evolution

The legal industry remains trapped between transformative technology and outdated billing structures. Despite heavy AI investments that fundamentally will alter how work is performed, firms and clients remain locked in hourly billing arrangements that may no longer reflect value delivered.

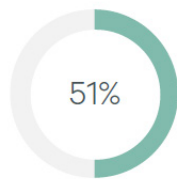
Warning Patterns

Today's legal market dynamics — characterized by booming demand amid instability, inflated expenses, and optimism — closely mirror the conditions that preceded previous industry downturns. The legal market may be repeating a pattern of surging just before a significant correction.

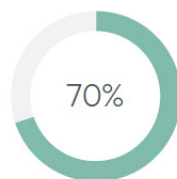
CBRE LAW FIRM SURVEY

OFFICE POLICY & CULTURE

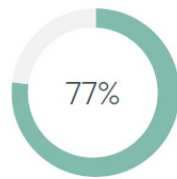
KEY FINDINGS OF FIRMS



have now adopted a "primarily in office" attendance policy, typically requiring three or more days per week.



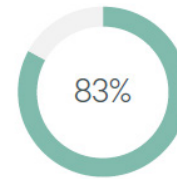
indicated their office policies will remain the status quo signaling a stabilization of the hybrid work model.



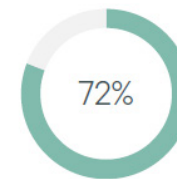
reported office space utilization of two or more days per week.

SPACE PLANNING & AI IMPACT

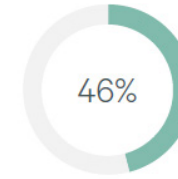
KEY FINDINGS OF FIRMS



are reducing physical storage to reclaim valuable square footage.



are implementing or actively considering universal office sizes to maximize layout flexibility.



of law firm leaders reported they are still unsure of the long-term impact of AI.

Market Data

NOTABLE TRANSACTIONS



Robbins Kaplan

74,984 SF
Wells Fargo Center
Relocation

45% SF Reduction



Zimmerman Reed

15,179 SF
IDS Center
Renewal

No SF Change



Husch Blackwell

25,669 SF
Wells Fargo Center
Relocation

16% SF Increase



Messerli Kramer

33,974 SF
50 South Sixth Street
Relocation

1% SF Increase

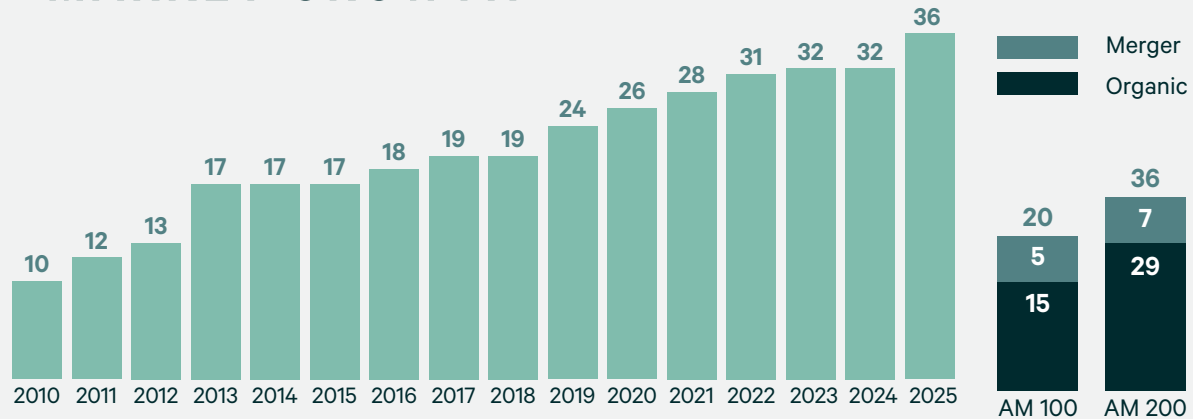


Saul Ewing

13,887 SF
Wells Fargo Center
Relocation

13% SF Increase

MARKET GROWTH



Minneapolis - AM 200 Firms by Year

Formation Method

MARKET STATISTICS



*Numbers based on a hypothetical 10 year lease

Law Firm Data — Top 20 Minneapolis Firms

By Number of Attorneys



2,150

Total Number of Attorneys



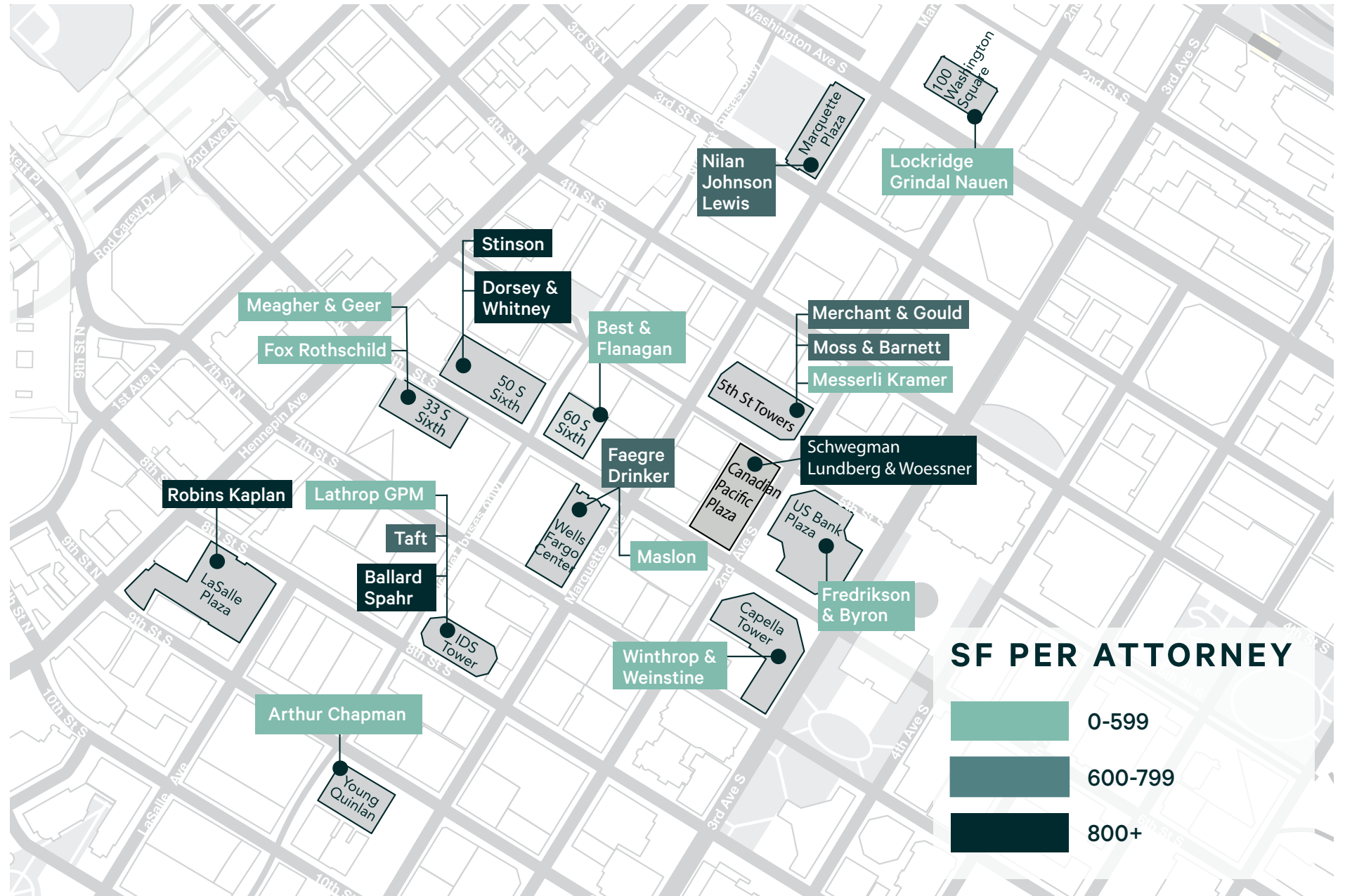
1,473,660

Total SF Occupied



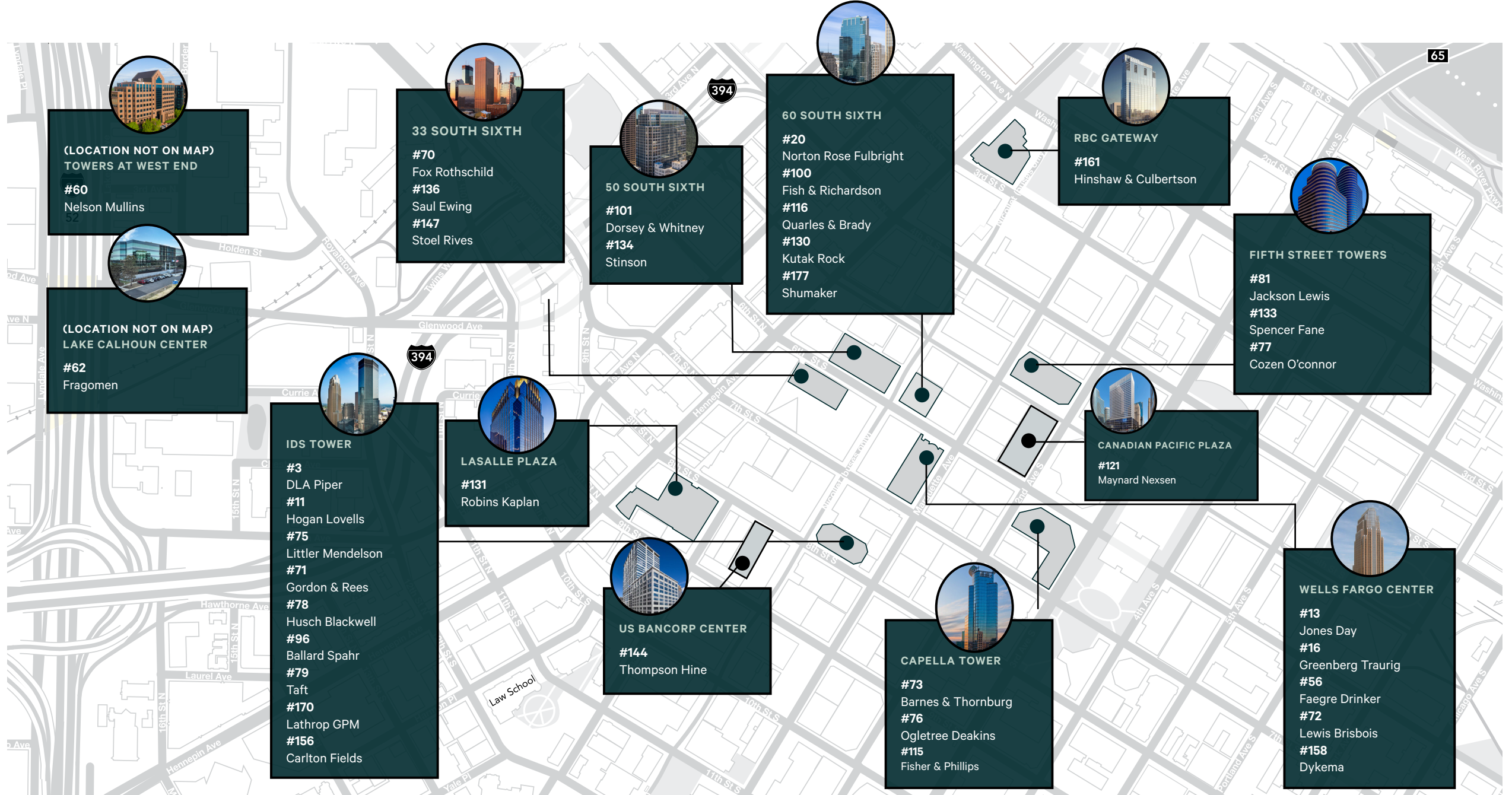
685

Average SF Per Attorney



AM 200 Firms

Location and Rank



Thank You



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