



Verizon signs HQ lease at Vornado's Penn 2 tower in Manhattan

Space above Penn Station to house about 1,000 corporate employees

July 29, 2025

Telecommunications giant Verizon is moving its headquarters to Vornado Realty Trust's newly redeveloped Penn 2 trophy tower directly above Manhattan's Penn Station. The relocation plan comes as Verizon has installed a stricter in-office policy.

Verizon signed a 19-year lease to occupy more than 195,000 square feet of offices across the eighth through 10th floors of Penn 2, which includes exclusive access to more than 25,000 square feet of outdoor space, according to separate statements from Verizon and Vornado. Verizon, with more than 400 retail locations citywide, also signed for 4,400 square feet of street-level space at Penn 2 to open a new flagship store.

The asking rent for the offices was \$115 per square foot, a person familiar with the situation told CoStar News.

The new space will house about 1,000 Verizon corporate employees beginning in 2026 and consolidate from Verizon's two existing offices at Salesforce Tower at 1095 Avenue of the Americas and 140 West St., a Verizon spokesperson said.

The move comes as Verizon, joining a slew of other major corporate employers, is implementing stricter in-office policies. Verizon's hybrid corporate employees will be required to work in the office three days a week after Labor Day, up from the current requirement of eight days a month in the office, according to the spokesperson. Verizon updated the "hybrid minimum for U.S. employees to drive greater consistency and bring teams together more often, while maintaining our commitment to flexibility," the spokesperson said.

In contrast, employers such as JPMorgan Chase and Amazon have called employees back to the office full time.

In addition to Penn 2, Verizon will continue to maintain two major corporate campuses in Basking Ridge, New Jersey, and Irving, Texas, as well as operate additional offices across the United States and internationally, the company said, adding it has a total of about 6,000 employees in the New York metro area.

Verizon, which previously signed for 143,000 square feet in a high-profile deal at 155 Delancey St. as part of the Essex Crossing mixed-use development on Manhattan's Lower East Side, has put the space on the market for sublease, the Verizon spokesperson said. The company's employees never occupied those offices, the spokesperson said.

Major redevelopment

With Verizon's deal, Penn 2 is 60% leased, a Vornado spokesperson told CoStar. Vornado has spent \$750 million overhauling the property as part of its Penn District redevelopment. The renovations include a



completely new curtain wall, a triple-height lobby, and the Bustle, what Vornado has described as the “distinct new entrance” for Penn Station on Seventh Avenue.

Penn 2, with access to public transit including 15 subway lines, the Long Island Railroad, New Jersey Transit and Amtrak, also features 30,000 square feet of curated retail, including a 7,100-square-foot restaurant and bar, and a rooftop glass pavilion and event space. There’s also a 280-seat town hall suspended above the 33rd Street promenade.

Tenants also have access to Vornado’s amenities in the Penn District, including those in the neighboring Penn 1, which has itself been one of the buildings in the city commanding a slew of top-dollar rents since its redevelopment.

Penn 2, spanning about 1.8 million square feet, also serves as the corporate headquarters for Madison Square Garden, Universal Music Group and Major League Soccer.

For the record

A Cushman & Wakefield team led by Executive Vice Chairman, Josh N. Kuriloff, Peyton Horn, Heather Thomas and Kyle Ernest represented Verizon. Vornado was represented in-house by Glen Weiss, Josh Glick, Jared Silverman and Anthony Cugini.