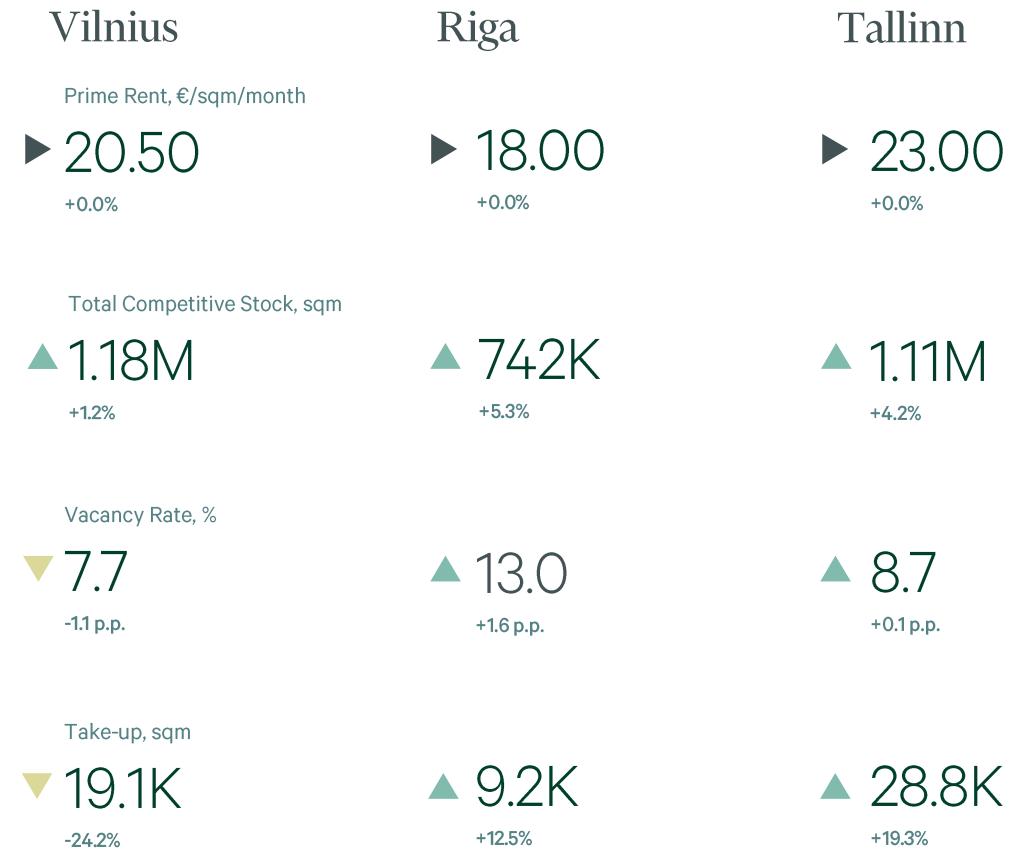


# Minor Vacancy Changes



KEY PERFORMANCE INDICATORS, Q2 2025

Growth Rate QoQ (%)

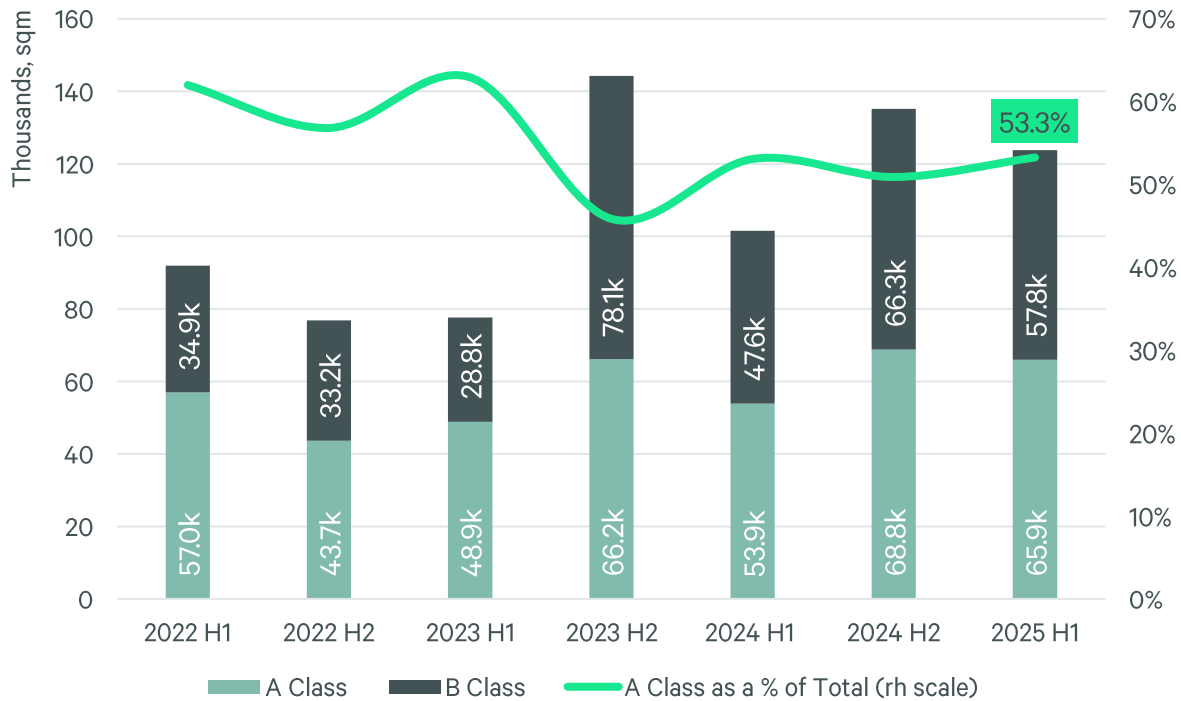
Note: Arrows indicate change from the previous quarter.

## Highlights

Around 30,000 sqm of multi-tenant space reached the market this quarter. Vilnius alone has a further ~117,000 sqm scheduled for completion before year-end, while Riga restarted the long-awaited 26,000 sqm Preses Nams Quarter project. Tallinn’s only opening was the build-to-suit Arter A-Tower (as a new Swedbank Tallinn HQ), underlining its shift toward refurbishments rather than speculative builds.

While leasing activity in Vilnius declined quarter-on-quarter, both Riga and Tallinn recorded moderate increases compared to Q1. However, only Tallinn posted year-on-year growth in demand. Across the region, technology and finance companies continued to drive leasing activity, with preferences shifting toward flexible, energy-efficient premises and higher fit-out quality.

FIGURE 1: Baltic Office Take-up by Class, SQM, in Thousands, 2022 H1 – 2025 H1



Source: CBRE Baltics Research

# Vilnius

## SUPPLY

In Q2 2025, the Vilnius office market saw the completion of two new projects, totaling almost 14,500 sqm GLA. One A-class project, St. Jacobs, located in the city center, comprises approximately 6,500 sqm of GLA, while the other, AeroCity HQ3, is a B-class development bringing around 8,000 sqm of GLA, with the majority being owner-occupied. Most of the forecasted 2025 completions are still underway, with approximately 70,000 sqm of GLA expected to be commissioned in Q3 and around 47,000 sqm in Q4, with the most significant developments being: Hero, Business Stadium Central, and Sąvaržėlė. 66% of the upcoming additions this year will consist of A-class premises. In total, nearly 150,000 sqm GLA is currently under construction in the Vilnius market.

## DEMAND

Leasing activity in Q2 2025 has marginally slowed down, dropping ca. 24%, or by 6,000 sqm per quarter. Average take-up size was almost 600 sqm, which decreased by more than 300 sqm from Q2 2024. 35% of the total take-up came from the A-class offices, and the remaining in B-class, which was influenced by a few larger deals, where Ovoko has pre-leased ca. 3,800 sqm, and Evolution leased a bit more than 3,000 sqm in S28. When comparing 2024 H1 to 2025 H1, total take-up has decreased by 18%. The market is resilient, with companies from the Technology sector leading the way, accounting just more than 50% of the total take-up. The market is in the tenant’s hands.

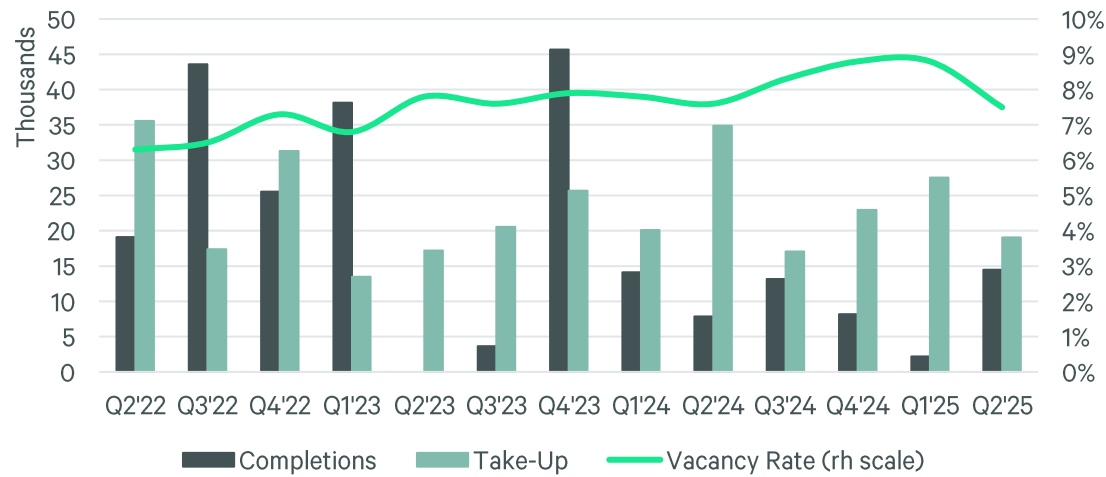
## VACANCY

At the end of Q2 2025, the overall vacancy rate decreased by 1.1% p.p. to 7.7%, accounting for more than 11,000 sqm of GLA. The majority of this decrease – ca. 7,600 sqm – occurred in B-class buildings, where the vacancy rate dropped by 1.3 p.p. In A-class buildings, the vacancy rate decreased by just 0.8 p.p., or around 3,600 sqm. This trend is attributed to the lack of significant new completions, with the few that did occur primarily being pre-leased. However, with the total stock expected to increase by the end of the year, the vacancy rate is likely to rise, especially in A-class buildings.

## MARKET RENTS

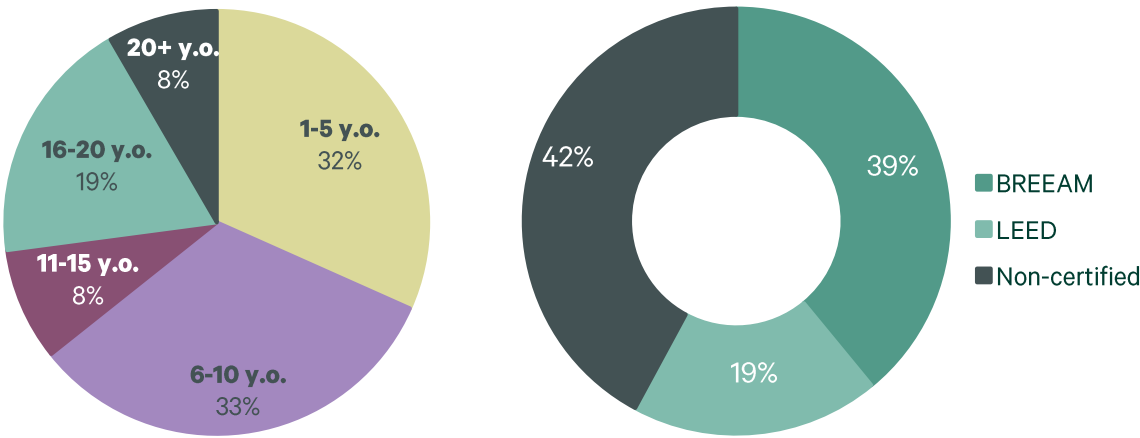
In Q2 2025, the market has not seen considerable movement in rent levels. Prime rents currently stand at 16.00-20.50 €/sqm/month. B-class offices rents also remain unchanged, ranging between 13.00 and 15.00 €/sqm/month – no changes for a few quarters. With all the new upcoming completions increasing the total stock, the market has been favorable for tenants.

FIGURE 2: Vilnius Modern Office Stock Completions, Take-Up and Vacancy Rate, 2022 Q2 – 2025 Q2



Source: CBRE Baltics Research

FIGURE 3: Age of the Offices and Share of Certified Office Stock in Vilnius by GLA, sqm, Q2 2025



Source: CBRE Baltics Research

# Riga

## SUPPLY

In Q2 2025, the Riga office market saw an active quarter with several completions concentrated in the CBD. Three A-class office projects were delivered: Barona iela 30a (2,500 sqm), Magdelēnas kvartāls on Antonijas iela 17/21 (11,220 sqm), and Satekles Biznesa Centrs on Elizabetes iela 95 (11,100 sqm). While the first two are fully speculative developments, the Satekles Business Center is a build-to-suit SEB bank new HQ, with additional 2,200 speculative sqm available, certified under the BREEAM sustainability standard. By the end of 2025, the Mūkusalas iela 49 renovation project is also expected to be completed, contributing an additional 2,000 sqm of office space. Meanwhile, development momentum is building up - construction on the Preses Nams Quarter has resumed, with 26,000 sqm set to be delivered in 2026, and a new project at Miera iela 1 has also started, aiming to add 5,000 sqm by the end of next year.

## DEMAND

In Q2 2025, office take-up in Riga totaled approximately 9,000 sqm, reflecting stable activity both compared to the previous quarter and the same period in 2024. Leasing activity was distributed across both A- and B-class assets, with B-class offices accounting for the majority of signed leases. Demand remained largely driven by the technology and financial sectors, with continued activity also seen from healthcare and public sector. Notable deals included DNB Bank ASA Latvia branch expansion in Jaunā Teika Teodors building and Sorainen’s relocation to Magdelēnas kvartāls.

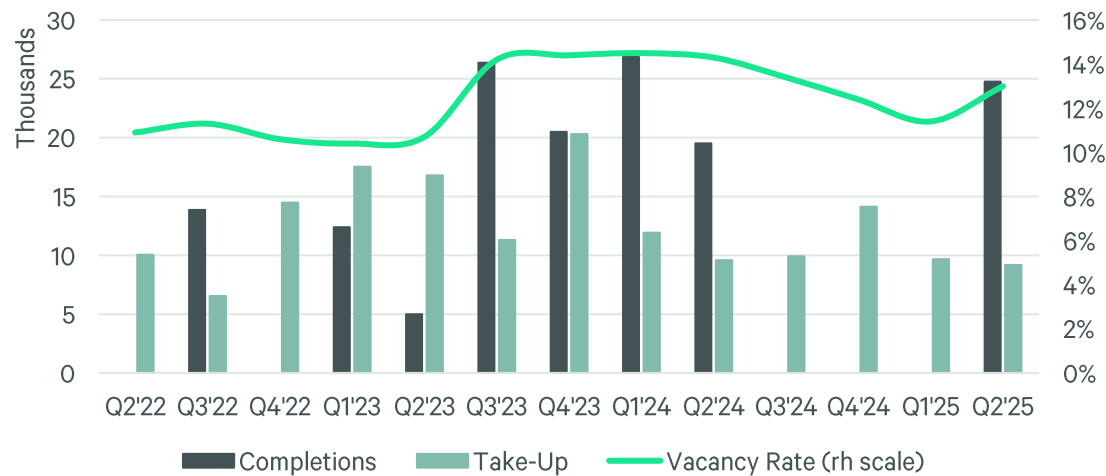
## VACANCY

In Q2 2025, the overall vacancy rate in Riga rose to 13%, marking an increase of 1.6 p.p. compared to Q1. This rise reflects a net vacancy growth of over 16,300 sqm, largely driven by the completion of three new office buildings. While A-class office vacancy increased as a result of these new deliveries, B-class vacancy continued its gradual decline; by approximately 3,000 sqm. Over the past twelve months, overall vacancy has still decreased by 1.3 p.p. year-on-year.

## MARKET RENTS

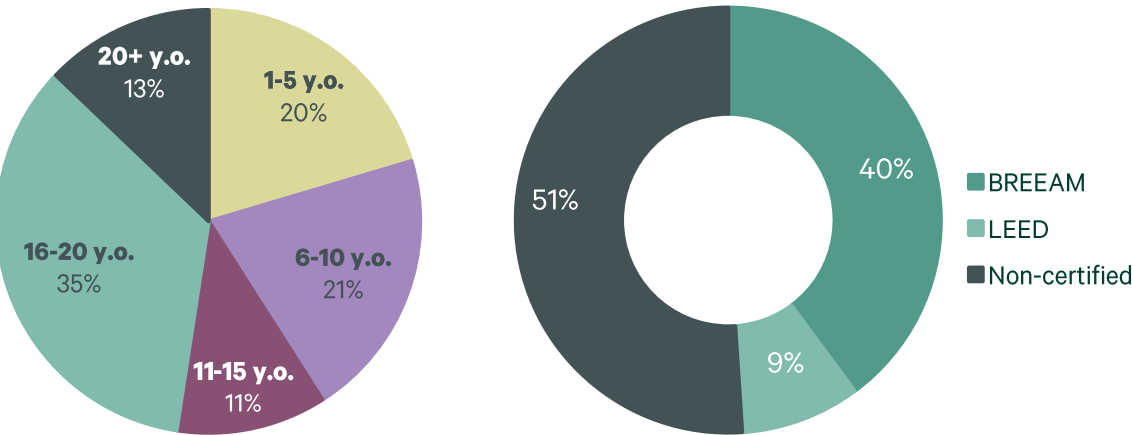
Riga office rents remained unchanged in Q2 2025. Prime office space continue to lease for 14.00-18.00 €/sqm/month, while B-class rents range from 10.00 to 14.00 €/sqm/month, depending on location and fit-out quality. The market remains balanced, with no significant pressure to adjust pricing.

FIGURE 6: Riga Modern Office Stock Completions, Take-Up and Vacancy Rate, 2022 Q2 – 2025 Q2



Source: CBRE Baltics Research

FIGURE 7: Age of the Offices and Share of Certified Office Stock in Riga by GLA, sqm, Q2 2025



Source: CBRE Baltics Research

# Tallinn

## SUPPLY

The pace of new office development in Tallinn continues to slow down. In Q2 2025, the Arter A-Tower officially opened in the CBD and will serve as the headquarters for Swedbank, covering 43,000 sqm. From a market perspective, this counts as zero new deliveries since the project is built-to-suit. Nonetheless, this is a significant milestone, as the Arter quarter by Kapitel, won the title of Best Office and Commercial Real Estate Development at the Baltic Real Estate Awards 2025. Later this year, an additional 34,000 sqm will be added to the market, which includes over 13,000 sqm for the new landmark office building - Golden Gate, located in the Port area and opened in early July. There is also a notable increase in renovation and regeneration activities: in 2024, just over 6,000 sqm of offices were delivered in renovation projects; this number rose to 24,000 sqm in 2025.

## DEMAND

The key factors driving demand for office spaces include energy efficiency and sustainability, modern amenities, and flexibility in both premises and lease terms. Newly constructed or recently renovated buildings are particularly in demand. Occupiers appreciate the ability to quickly adapt to market shifts, leading them to prefer flexible leasing arrangements with shorter lease durations and the option to modify their office space requirements. In the Q2, total office take-up reached over 28,800 sqm, which is an increase by 4,000 sqm compared to the previous quarter. This figure includes 5,500 sqm of preleases but does not account for the built-to-suit Swedbank headquarters.

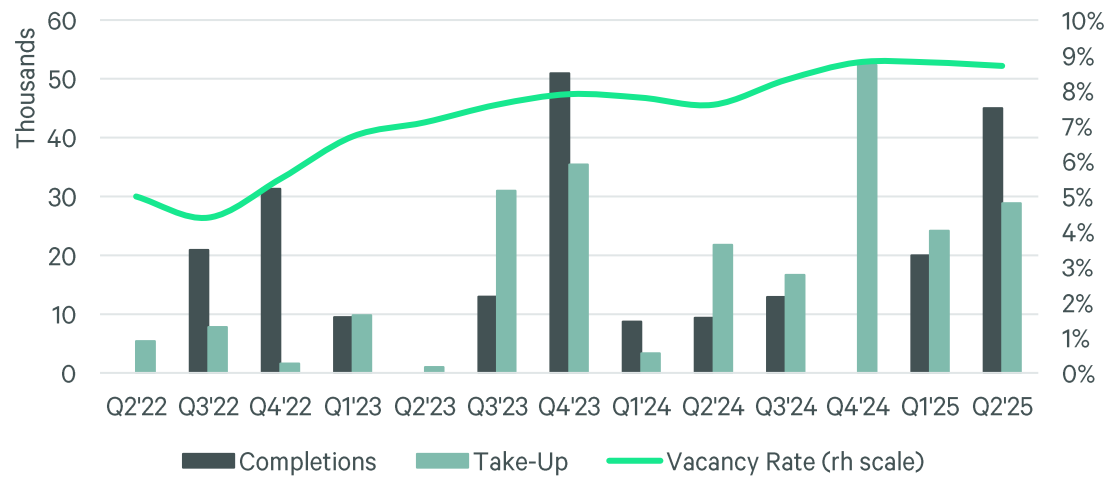
## VACANCY

In the tenant market environment, landlords are implementing different strategies to reduce vacancy rates and keep occupancy levels stable. These strategies include rent-free periods, fit-out contributions, and flexible lease terms. As of Q2 2025, the average vacancy rate for modern offices in Tallinn was 8.7%, which is almost the same as the Q1 figure (+0.16 p.p.). Due to the market demand and declining supply, the vacancy rate in A-class offices decreased by 1.7 p.p. quarter-over-quarter to 4.9%. In contrast, the vacancy rate for B-class offices increased from 9.6% to 10.9%.

## MARKET RENTS

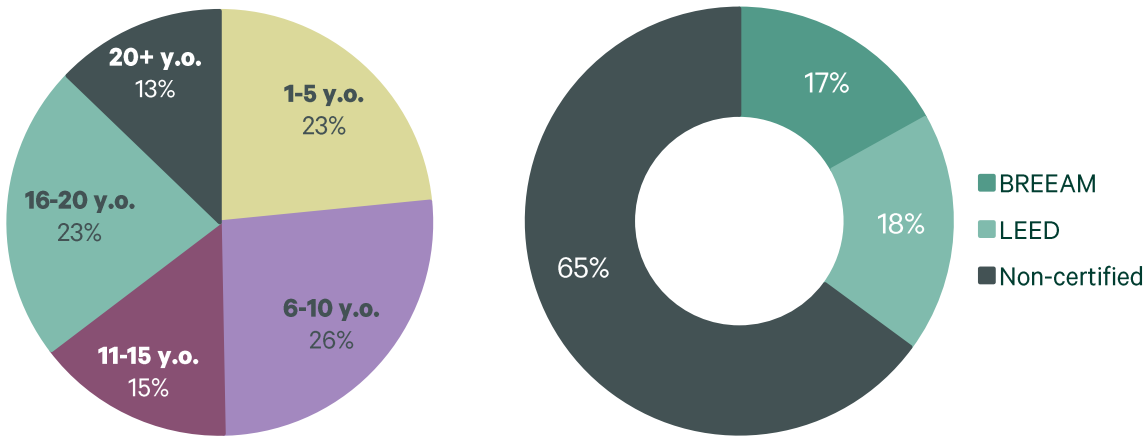
Tenants are increasingly prioritizing energy-efficient spaces, even at higher base rents. In Q2, B-class office rents decreased to €8.00 and €15.00 per sqm per month. Prime rents remain stable at €21.00 to €23.00 per sqm, with maximum of €25.00 to €27.00.

FIGURE 8: Tallinn Modern Office Stock Completions, Take-Up and Vacancy Rate, 2022 Q2 – 2025 Q2



Source: CBRE Baltics Research

FIGURE 9: Age of the Offices and Share of Certified Office Stock in Tallinn by GLA, sqm, Q2 2025



Source: CBRE Baltics Research

Picture 1. Hero Development by Realco in Vilnius, Lithuania  
The largest projected office completion in 2025



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