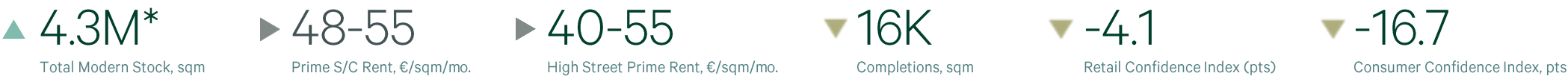


FIGURES | BALTIC RETAIL | Q2 2025

# Baltic Retail Embraces Activity and Sustainability



\*The increase in stock happened primarily due to database revisions

Note: Arrows indicate change from corresponding period of the previous year

**Supply.** In Q2 2025 the modern Baltic retail market maintained its measured growth path, adding just under 16,000 sq m of new space while keeping a lively pipeline in motion across all three countries. In Lithuania, one new project was completed: the 4,500 sqm Retail Park at Islandijos pl. 30 in Kaunas, further strengthening the city's position as an important retail hub. Estonia marked a more dynamic quarter with the re-opening of Suve Keskus, an 11,000 sqm shopping center in Pärnu. However, Latvia's contribution was only two Rimi supermarkets in Riga that together cover roughly 2,000 sqm. Looking slightly ahead, in Lithuania the construction started the V111 Retail Park (8,700 sqm) in Kaunas, expected to open in Q2 2026. In Estonia, development of the K-Rauta Raadi retail project in Tartu (15,000 sqm) is underway, with completion targeted for Q3 2026. In Latvia, a key redevelopment is taking place at Domina Shopping in Riga, where MyFitness is developing a 2,300 sqm next-generation wellness club - the first in the network to feature a dedicated SPA zone.

**Demand.** Retail demand in the Baltics remains mixed, with consumer and retail confidence still recovering unevenly across the region. In Estonia, YoY retail sales in June increased by 5%, supported by a rise in food and transport prices, despite persistently low consumer confidence (-35.6), gradual shift in consumer preferences and looming pressure from the July VAT hike. In Latvia retail sales declined by 2% (YoY), with food retail down 5%. Though non-food categories like electronics and cosmetics showed resilience, overall retail performance remains fragile. Lithuania, however, continues to show relative stability. Retail sales grew by 2.3% YoY in the Jan-May period, supported by modest consumer confidence and positive retail sentiment (1.4).

**Trends.** Baltic retail is increasingly shaped by experience-driven and sustainable development. In Q2, T1 in Tallinn introduced Skylane Hyperbowling - a 10-lane, tech-enhanced venue - following the launch of the region's most modern squash facility earlier this year. These additions reflect the growing role of entertainment and wellness in attracting foot traffic. At the same time, developers are actively acquiring land for convenience-focused formats, with neighborhood retail and suburban retail parks gaining traction across all three countries. This shift aligns with broader infrastructure modernization efforts, such as the newly approved works around Vilnius' upcoming Akropolis Vingis complex. Sustainability also remains central, as seen in Ülemiste Centre's "Excellent" BREEAM certification (70.9%) and Maxima's first EV charging station in Baloži - a service previously exclusive to Lidl.

FIGURE 1. Retail Stock in Baltic Capitals by Asset Type and Total Stock Under Construction

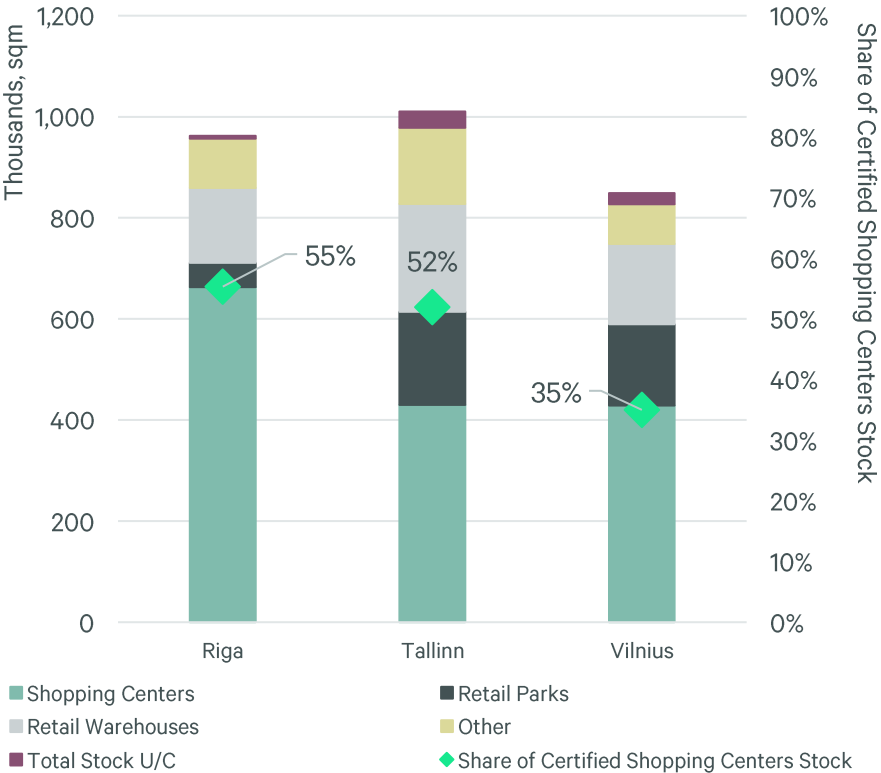
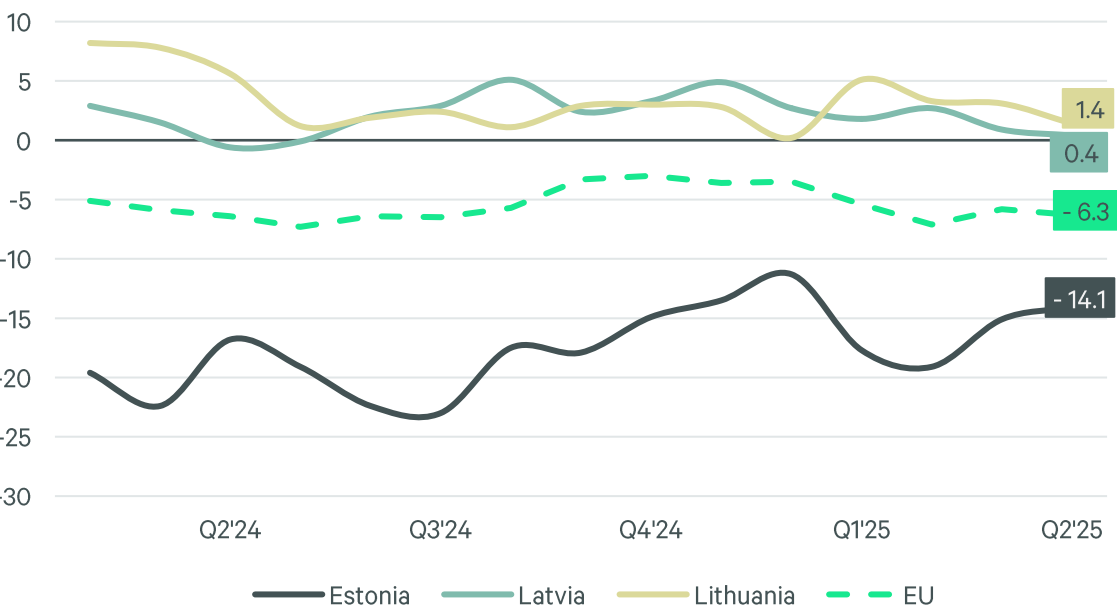


FIGURE 2. Retail Confidence Indicators in the Baltics and the EU, Q2 2024 – Q2 2025



Source: Eurostat, CBRE Baltics Research

Definitions

- CEE** – Central and Eastern Europe
- Gross Leasable Area (GLA)** – total floor area within a commercial building that is available for rent to tenants, excluding common non-leasable spaces.
- Prime Rent** – for retail, Prime Rent is represented as the typical «achievable» open market headline rent which an international retail chain would be expected to pay for a ground floor retail unit of up to 200 sqm of the highest quality and specification and in the best location in each market commensurate with demand in each location.
- QoQ** – Quarter-on-Quarter
- Retail Trade Confidence Indicator** – the arithmetic average of the balances (in percentage points) of the answers to the questions on the present and future business activity and on current stocks (the last with an inverted sign).
- Shopping Center (SC) Stock** – represents the total completed retail space (occupied and vacant) in the shopping centers at the survey date, recorded as net rentable retail area. Included are shopping centers with a gross lettable area above 5,000 sqm, excluding hypermarkets, DIY stores, retail parks and other specialized stores. Included are shopping centers with an anchor tenant, for which the leasable area does not exceed 60 percent of GLA.
- Total Modern Retail Stock** – represents the total completed modern retail space (occupied and vacant). Total Retail Stock includes purpose-built space converted from other uses and independent space forming part of a mixed-use development. Includes shopping center stock, total retail space in retail parks, theme-oriented centers and department stores with a gross leasable area from 5,000 sqm. Space under construction is excluded from the Total Retail Stock until development completion.
- YoY** – Year-on-Year

Research

Jelīzaveta Sivačova

Market Analyst  
Research & Consulting  
+371 27 182 077  
jelizaveta.sivacova@cbre.lv

Deividas Kairys

Market Analyst  
Research & Consulting  
+370 612 17348  
deividas.kairys@cbre.lt

Jelena Dubrovski

Senior Market Analyst  
Research & Consulting  
+372 506 7084  
jelena.dubrovski@cbre.ee

Advisory & Transactions

Ilze Brazeviča

Landlord Leasing and Development Manager  
Advisory & Transactions  
+371 29 279 397  
ilze.brazevica@cbre.lv

Triin Kolk

Senior Consultant  
Advisory & Transactions  
+372 502 0570  
triin.kolk@cbre.ee

Dainius Šarka

Associate Director  
Investor Leasing  
+370 694 88318  
dainius.sarka@cbre.lt

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