

Logistics & Industrial Outlook

Vilnius, Lithuania
2025 Q1

newsec



Vilnius Logistics & Industrial Market 2025 Q1

Key Indicators

		Q-o-Q	Y-o-Y	Forecast
Supply – warehouse				
Stock	1 160 000 sqm	▲	▲	▲
Under construction	136 000 sqm	▲	▲	◄►
Supply – stock office				
Stock	138 500 sqm	▲	▲	▲
Under construction	12 500 sqm	▼	▼	◄►
Vacancy				
Warehouse	3.5 %	▲	▲	▲
Stock office	9.7 %	▼	▼	▼
Rent rates				
Prime warehouse	5.0-5.8 €/sqm	◄►	▲	◄►
Secondary warehouse	2.5-4.8 €/sqm	◄►	▲	◄►
Stock office	8.0-12.0 €/sqm	◄►	▲	◄►
Yields				
Prime	7.25-7.75 %	◄►	▲	◄►
Secondary	8.00-9.00 %	◄►	▲	◄►

Cautious optimism and structural shifts in the Vilnius market

- Lithuania's industrial and logistics (I&L) sector began 2025 with cautious signs of recovery after a record year of completions and a short-term demand adjustment. In January–February, transport and storage revenues grew by 12% year-on-year, and postal and courier activity surged nearly 18%, though overall growth has since moderated to 11%, indicating a shift to a more stable and measured market phase.
- The Lithuanian logistics-warehouse market experienced a peak in supply in 2024, particularly in Vilnius and Kaunas, with the Vilnius region accounting for nearly 150 000 sqm. Looking forward, new supply is expected to shrink significantly in 2025, with fewer completions depending on construction timelines.
- Permitting activity in Lithuania rebounded in Q1 2025 following a mid-2024 dip, suggesting continued developer interest. However, construction starts remain uneven, pointing to growing caution and selectivity, especially among speculative developers.

- Vacancy rates are inching upward, particularly in older, less efficient warehouse buildings, as tenants prioritize functionality and ESG-compliance. Hidden vacancy is becoming more visible, especially among logistics operators facing reduced turnover.
- The stock-office segment continues to evolve, with large-scale projects gradually absorbing and bringing balance to this currently active niche. That said, vacancy remains elevated in some peripheral locations, placing downward pressure on rents, even as overall absorption improves. Despite an uptick in development interest, rents and vacancy in Vilnius remain largely stable.

"Selective starts, vacancy pressure grows"

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Riga Logistics & Industrial Market 2025 Q1

Key Indicators

		Q-o-Q	Y-o-Y	Forecast
Supply – warehouse				
Stock	1 633 300 sqm	▲	▲	▲
Under construction	54 000 sqm	▼	▲	▲
Supply – stock office				
Stock	110 000 sqm	◄►	◄►	▲
Under construction	18 000 sqm	◄►	◄►	▼
Vacancy				
Warehouse	2.8 %	▲	◄►	▼
Stock office	8.0 %	▲	▲	▼
Rent rates				
Prime warehouse	5.3-6.5 €/sqm	◄►	▲	▲
Secondary warehouse	3.0-4.5 €/sqm	◄►	◄►	◄►
Stock office	6.2-11.0 €/sqm	◄►	▲	◄►
Yields				
Prime	7.50-8.00 %	▲	▲	◄►
Secondary	8.00-9.25 %	◄►	◄►	▲

Cover picture: Sirin Park Marupe; Developer: Sirin Development

I&L segment shows no signs of slowing down

- In the first quarters of 2025, nearly 41 700 sqm of industrial space was delivered. This includes the completion in of phase 2 of Marupes parks by Piche, with some 14 000 sqm, and first stage of Sirin park Marupe with over 27 000 sqm of space. There were no new deliveries for stock-offices, although several projects are in the pipeline.
- Albeit there were no big lease transactions this quarter, the demand for modern industrial premises remains strong. The vacancy has slightly risen due to the new deliveries but the market is expected to absorb the new stock. Additionally, the segment has experienced big interest from the growing military-industrial complex, realizing the potential and versatility that modern I&L buildings can offer.
- Land for new developments in I&L segment remains in high demand.

With limited availability, redevelopment or rebuilding of older complexes is of high interest. This offers revitalization potential for several parts in Riga.

- Stock-office segment is rising in popularity among small and medium-size companies that realize the benefits of having showroom, warehouse and office premises on site. Recent deliveries and projects in the pipeline show relatively strong occupancy and pre-lease levels with high potential in the coming years.

"Military-industrial complex increases the already high demand"

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Logistics & Industrial Outlook

Tallinn, Estonia
2025 Q1

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Tallinn Logistics & Industrial Market 2025 Q1

Key Indicators

		Q-o-Q	Y-o-Y	Forecast
Supply – warehouse				
Stock	1 597 000 sqm	▲	▲	▲
Under construction	12 350 sqm	▼	▼	◄►
Supply – stock office				
Stock	309 700 sqm	▲	▲	▲
Under construction	50 500 sqm	◄►	◄►	▼
Vacancy				
Warehouse	4.2 %	▲	▲	▲
Stock office	8.9 %	▲	▲	◄►
Rent rates				
Prime warehouse	5.0-6.25 €/sqm	▼	▼	◄►
Secondary warehouse	3.5-5.0 €/sqm	◄►	◄►	◄►
Stock office	6.75-11.5 €/sqm	▼	▼	◄►
Yields				
Prime	7.20-8.00 %	◄►	◄►	◄►
Secondary	7.90-9.00 %	◄►	◄►	◄►

I&L vacancy continues to increase

- Industrial production showed signs of improvements. In February 2025 companies produced about 2.3% more than a year ago according to Statistics Estonia. In half of the manufacturing activities volume of production showed increase.
- Along with production, export sector showed similar improvements in February according to Statistics Estonia. Exported goods increased by 12% within a year and imports showed improvements by 10%.
- Despite all positive news, environment remains somewhat uncertain due to potential tariffs imposed by United State. Direct impact of tariffs on Estonian economy is rather small, but our partners in Nordics are more affected by negative impact which in return may spill over to Estonias' economy.
- Vacancy levels for both stock offices and logistic premises continued to increase. Logistic warehouse vacancy increased to 4.2% and stock offices stood at 8.9%. Relatively large number of space, 170 000 sqm, is expected to enter the market

during 2025 (incl. new constructions and already existing buildings). Therefore, vacancy levels are expected to increase more or at least stay at the current level.

- Prices remained stable in both logistics and stock offices despite upcoming large number of space. Due to this reason further price increases are unlikely as large number of space will not be absorbed by market quickly enough. Also, construction prices are somewhat declined and new stock offices near Tallinn are offered as low as 6.5 EUR/sqm, lower than average 7.8 EUR/sqm.

"During 2025 total 170 000 sqm of space becomes available"

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