LITHUANIAN ECONOMIC AND REAL ESTATE MARKET REPORT

2024-2025

INREAL Group in collaboration with:

SEB, COBALT, CITYNOW

AUTORIAI

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In 2024, Lithuania's economy grew faster than expected. The country's GDP, at constant prices, increased by 2.7%, compared to just 0.3% growth in the previous year. The nominal GDP grew by 5.5% last year. Most economic sectors contributed positively to this growth. Historically strong real household income growth, a recovery in exports, and declining interest rates had a favorable impact on Lithuania's economy. This year, economic expansion is expected to accelerate slightly. The greatest risk to forecasts stems from the actions of the new U.S. presidential administration regarding geopolitics and international trade.

The main reason why economic growth exceeded expectations last year was the faster-than-anticipated recovery of the industrial sector after a challenging 2023. The value of manufacturing output at constant prices increased by 4.7% in 2024, compared to a 4.5% decline in the previous year. Based on this industrial output growth, Lithuania ranked third in the European Union in 2024. In contrast, manufacturing output in Latvia and Estonia declined by 2.7% and 4.4%, respectively.

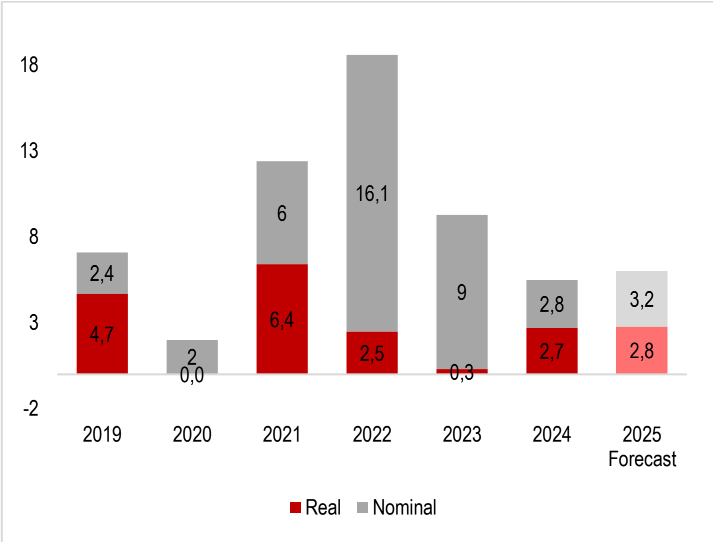
Lithuania's exceptional industrial performance was achieved due to its significantly more diversified production and export markets compared to other Baltic countries. Additionally, the country successfully competed for orders and investments from nations like Germany, which, facing economic challenges, sought more cost-effective production and procurement options in nearby countries. These strong results in the industrial sector indicate that, despite rapidly rising labor costs in Lithuania, it is still too early to speak of a loss of competitiveness.

Last year, the biggest production increases were seen in the manufacturing of transport equipment parts, fertilizers, metal, and plastic products, with sales of their output growing by more than 10%. Additionally, furniture and wood product manufacturers—key players in Lithuania's economy—finally demonstrated improved performance.

Although conditions in major export markets remained challenging, the fact that Lithuanian furniture manufacturers recorded the highest production growth in the European Union last year indicates that companies remain competitive. The weakest performance was seen in the clothing, paper, and machinery equipment manufacturing sectors. Meanwhile, food industry production saw a slight increase.

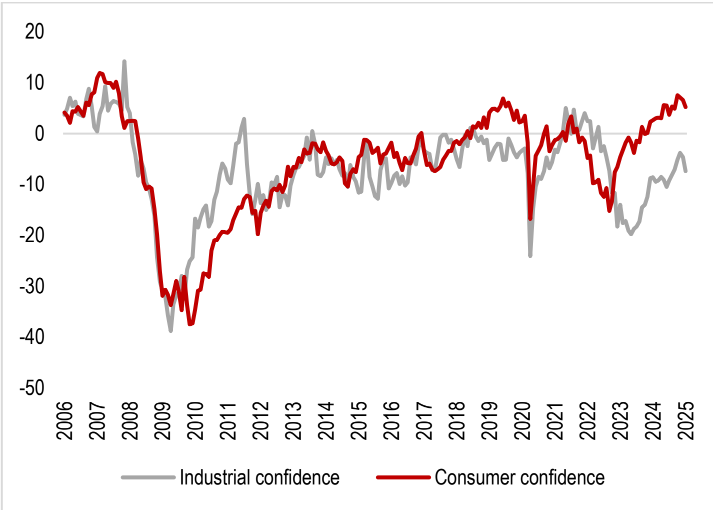
Industrial confidence indicators have remained stable in recent months, suggesting that, at least in the near future, annual industrial production growth is expected to remain positive and not fall below last year's level.

GDP of Lithuania change, YoY (perc.)



Source: State Data Agency

Industrial and consumer confidence indices (points)



Source: DG ECFIN

Of course, export market conditions remain sluggish, and Lithuanian manufacturers must continue to compete fiercely with industrial producers from other countries. On the other hand, lower interest rates and recovering purchasing power should have a positive impact on consumer demand in Western countries. However, the situation could shift significantly depending on U.S. import tariff policies—if new and substantial tariffs are imposed on goods imported from the EU.

Last year, the information and communications, as well as financial sectors, made a strong contribution to economic growth. For instance, revenue in the information and communications sector grew by nearly a third. However, the number of employees in this sector did not increase. The previous expansion of companies in this industry is now bearing fruit, and it is encouraging to see that the added value created by Lithuanian-owned companies is growing significantly.

For transportation service companies, last year was calmer compared to 2023. Road freight turnover increased by 5% over the year, which is a historically modest change. The number of drivers even declined slightly, partly due to the bankruptcy of a major transportation company. Meanwhile, the export of air transport services grew at a much faster pace. This year, the sector's performance is expected to improve if forecasts hold true that trade and industrial indicators in key export markets will be stronger than last year.

The accommodation sector saw little improvement over the year. The number of overnight stays increased by just 1.6%, with foreign visitor stays growing slightly faster than those of domestic travelers. However, the number of overnight stays by foreign tourists remained 25% lower than pre-pandemic levels in 2019. While the number of foreign visitors in accommodation establishments is expected to rise this year, a faster recovery would require a more favorable geopolitical situation in the region.

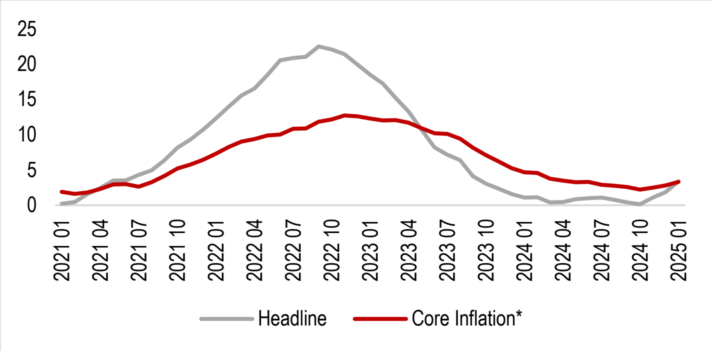
The food and beverage service sector faced the most challenges last year. Businesses in this industry were unable to raise prices enough to offset the VAT increase (from 9% to 21%) and rising labor costs, leading to a decline in profitability. This year, the situation is expected to improve only slightly. Household spending on dining services is projected to grow by 5-10%, but profitability will be further pressured by the 12% increase in the minimum monthly wage at the beginning of the year.

Retail sales turnover at constant prices in Lithuania increased by 4.8% last year, significantly outpacing the average growth in the European Union. In euro terms, turnover rose by 4.7% over the year. This growth was unsurprising, as household incomes increased by 10%, inflation remained minimal, and purchasing power improved—allowing consumers to spend more on goods.

Turnover in non-specialized stores, where food products dominate, grew by 5.4% in euros, with a real increase of 4.4%. The strongest sales growth was recorded in tobacco, telecommunications, sports equipment, and household appliance retail. In contrast, textile, clothing, beverage, and furniture retailers faced declining sales. However, the year was not as difficult as initially feared for construction material retailers, whose turnover still managed to increase.

Retail sales turnover at constant prices in 2025 is expected to grow at least as fast as last year. In euro terms, turnover will inevitably be higher than in 2024, as goods price inflation is projected to be higher this year.

Annual Inflation according to HICP in Lithuania (perc.)



Excluding changes in the prices of energy, food, tobacco products and alcoholic beverages.
Source: State Data Agency

Household purchasing power is expected to grow more slowly in 2025 than in 2024. However, lower interest expenses will have a positive impact on consumption. Additionally, household savings increased by 12.3% last year alone. If consumer confidence does not deteriorate significantly, this should support spending. Consumer confidence in Lithuania remains historically high, but it could weaken if the government proceeds with planned tax system changes aimed at increasing defense funding. Moreover, higher inflation could also have a negative effect on consumption.

The average annual inflation rate, based on the Harmonized Consumer Price Index (HICP), was 0.9% last year. Inflation remained low primarily due to declining energy and food prices. Electricity prices in Lithuania's Nord Pool market zone fell by 8%, natural gas prices on the GET Baltic exchange dropped by 17%, and the average diesel price at gas stations was 3% lower than the previous year.

However, this year, average inflation is expected to be significantly higher, approaching 4%. The main drivers of inflation will be rising food and energy prices. At the start of the year, the excise duty on diesel increased, and a CO_2 component was introduced for fuel. Additionally, excise taxes on tobacco and alcohol products also rose. Service price inflation is projected to remain close to 6%, similar to last year. However, the key takeaway is that household incomes are still expected to grow faster than the prices of consumer goods and services, preserving purchasing power.

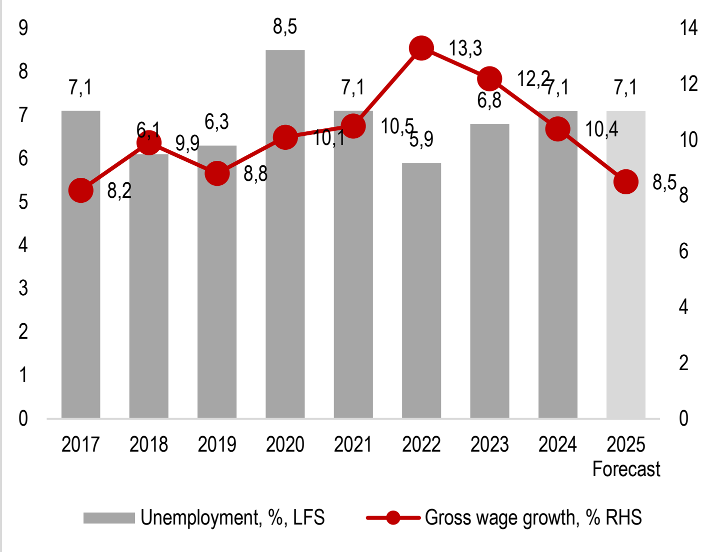
The labor market weakened slightly last year. According to the State Data Agency, the unemployment rate in Lithuania reached 7.1%, 0.3 percentage points higher than the previous year. However, employment still increased by 1.6%, reaching its highest level since 1998. This was largely driven by the rising number of workers from third countries. However, recent data shows that the number of residents holding Lithuanian residence permits is now declining. The latest Sodra figures indicate that the total number of employees in Lithuania has decreased over the past year. Despite this, the number of job vacancies in most sectors has remained relatively stable. The unemployment rate is projected to remain at 7.1% this year and decline to 6.8% in 2026.

In 2024, the average gross salary increased by 10.4%, slightly slower than the previous year but significantly faster than originally forecast. Wages in the public sector grew at a much faster pace than in the private sector. Once again, wage growth outpaced the increase in labor productivity, which is not sustainable in the long term and calls for more cautious salary growth projections in the coming years. For 2025, the average gross wage is expected to rise by 8.5%. As in 2024, public sector wages will continue to grow more rapidly than those in the private sector. Additionally, the 12% increase in the minimum monthly wage at the beginning of the year will have a positive impact on overall wage growth.

One of the most significant economic developments for households and businesses last year was the decline in interest rates. Currently, the European Central Bank's (ECB) key interest rate on deposits held by credit institutions stands at 2.75%, which is 1.25 percentage points lower than at the beginning of the previous year. Financial markets now estimate that by the end of the year, the key interest rate could drop to 2%. As a result, household and business interest expenses have already decreased significantly, which is inevitably boosting consumption and investment. Lower interest rates have also increased loan demand. In 2024, the bank loan portfolio for households grew by 9.7%, while loans to businesses expanded by 13.3%. This year, the loan portfolio growth is expected to be close to 10%.

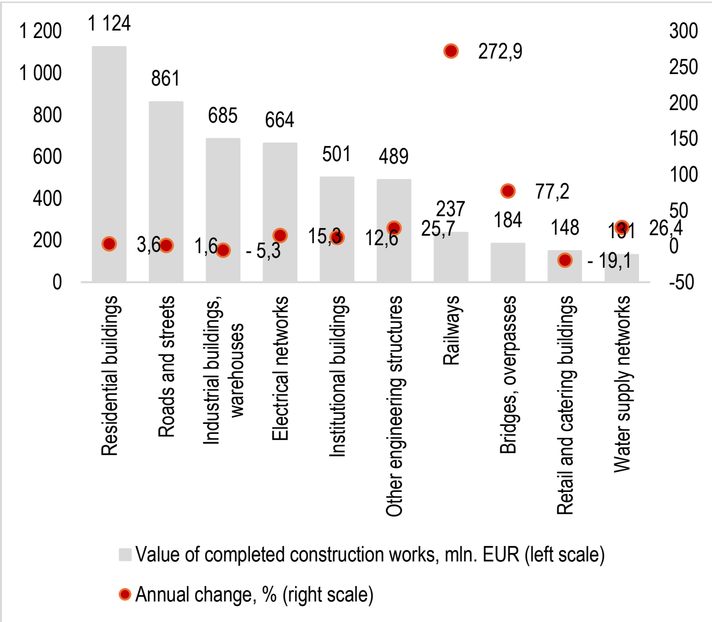
The construction sector had a positive impact on Lithuania's economy in 2024. The volume of construction work, at constant prices, increased by 6% compared to the previous year. The strongest driver of this growth was a 20% increase in infrastructure construction, marking the second consecutive year of a 20% expansion in this segment. The largest investments were made in railways, bridges, electricity networks, water supply, and heating infrastructure. However, building construction declined by 4%, with non-residential construction contracting more, while residential construction decreased by just 2%. This year, infrastructure construction growth is expected to remain slightly positive. Road construction activity is likely to decline, but railway projects should continue to expand. Indicators for building permits suggest that both residential and non-residential construction activity should increase in 2025.

Labor market variables



Source: State Data Agency

Construction work completed in 2024 and its annual change



Source: State Data Agency

In summary, Lithuania's economy exceeded expectations with its growth last year. This year, there are strong foundations for even faster expansion. However, in the short term, the biggest concerns are the international geopolitical situation and the risk of trade wars, which could have significant negative consequences for Lithuania's small and open economy.

RESIDENTIAL MARKET

GENERAL TENDENCIES

The year 2024, particularly its final months, laid the groundwork for a more significant recovery in the real estate market in 2025. First and foremost, the country's population continued to grow. According to the State Health Insurance Fund data, Vilnius saw an increase of approximately 1.7%, Kaunas 1.1%, and Klaipėda 1.5%. Notably, population growth in Kaunas and Klaipėda began in the second quarter of 2022, coinciding with the influx of Ukrainian war refugees. While these new residents did not immediately become property buyers, their demand for rental housing has encouraged investment transactions. Looking ahead, many war refugees may eventually return home once the conflict ends. However, Vilnius and Kaunas are set to welcome German brigade troops in the coming years, providing a new boost to the rental residential market. Positive demographic trends create opportunities to consider new co-living projects, but the unusual drivers behind population growth also introduce risks.

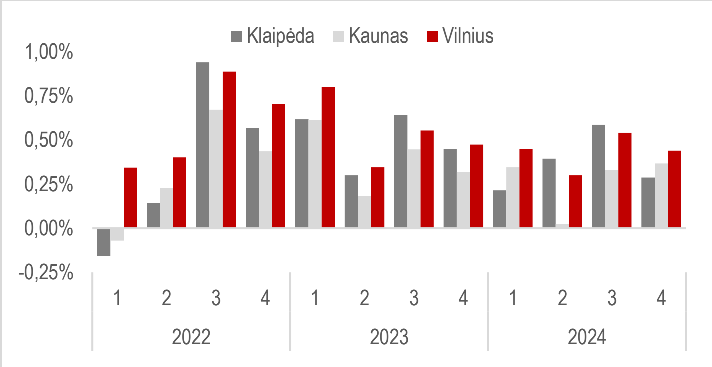
Most of the housing in Lithuania is purchased with mortgages. By the end of Q3 2024, the total interest rate (including margin and Euribor) had fallen below 5%, restoring households' ability to borrow under the responsible lending regulations. Lower mortgage margins could further stimulate market activity. By the end of the year, declining margins contributed to the fact that a third of the new loans were refinancing agreements.

Slower inflation has at least partially restored household purchasing power, allowing more funds to be allocated toward home purchases. In recent years, rapidly rising housing prices have made homeownership unattainable for many buyers. However, for the past two years, wages have been growing faster than housing prices, a positive trend that supports market recovery. One of the main risks remains a potential shortage of housing supply in Vilnius, which could limit market growth despite improved affordability.

One of the key factors influencing commercial real estate rental price changes is the indexation of prior rental agreements. In many cases, rental prices were indexed slightly above the market average. As lease renewals approach, the increased availability of vacant spaces provides tenants with stronger negotiating power.

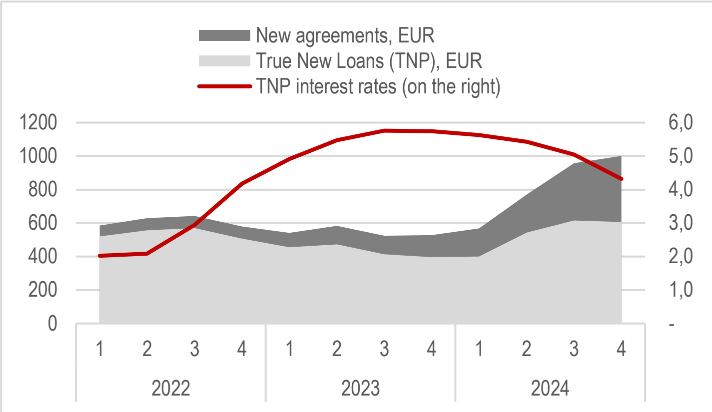
The slower pace of business expansion and the now-standard hybrid work model have increased office vacancy rates in Vilnius. In contrast, the slower growth of commercial real estate in Kaunas and Klaipėda has created both opportunities and demand for new office spaces. This is particularly relevant in Klaipėda, where available space is not a major constraint, but many tenants would prefer to relocate to more modern premises. For business center operators, sustainability requirements will pose additional challenges, as older buildings face less favorable financing conditions. This trend is likely to accelerate the renovation or conversion of outdated office buildings.

Population changes in major cities



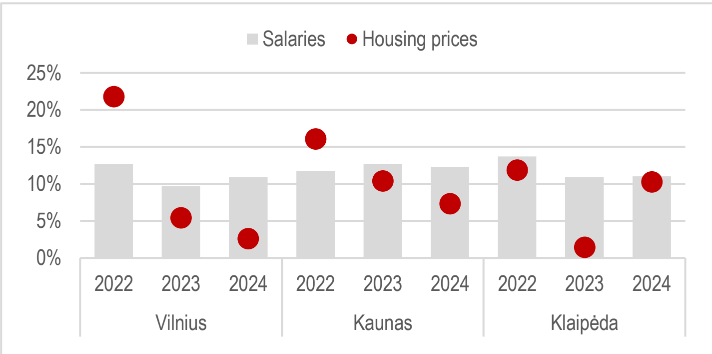
Source: National Health Insurance Fund

Mortgages and Interest Rates



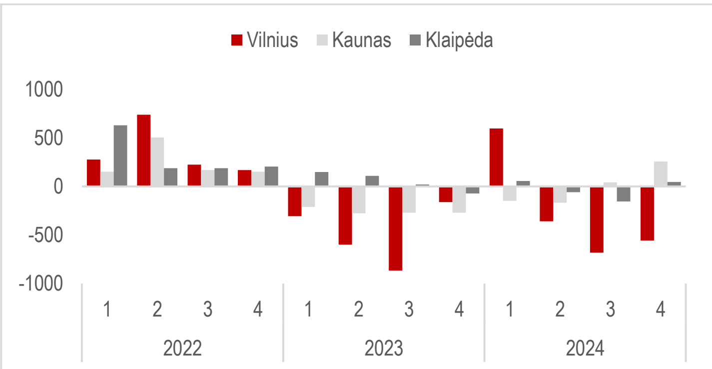
Source: Bank of Lithuania

Changes in salaries and housing



Source: State Social Insurance Organization, Bank of Lithuania

Building permits balance (since 2014)



Source: INREAL

Sales and Reservations	New Annual Supply	Available Supply at Year-end
3 281 (+47,3%)	4 503 (+54,7%)	4 536 (+27,4%)
Apartment transactions (RC)	**Population**	**Primary Market Balance Indicator**
11 150 (-2,8%)	692 216 (+1,7%)	1,30 (2023 12 – 1,42)

VILNIUS PRIMARY RESIDENTIAL MARKET

The recovery of the primary residential market has been observed since Q3 2022, when activity rebounded from its lowest point. However, a major breakthrough occurred in the second half of 2024. A total of 3,281 new homes (apartments, lofts, and townhouses) were sold or reserved in 2024—47.3% more than in 2023.

Supply also increased significantly. INREAL added 4,503 new homes to its monitoring—about 1.5 times more than in 2023. Of these, 46% were classified as mid-range, 40% as economy-class, and 5% as premium housing, while lofts and townhouses each accounted for around 4% of the new supply.

Due to high prices and the dominance of first-time and investment buyers, smaller apartments remained the most in-demand in the primary market. The newly introduced supply was distributed as follows:

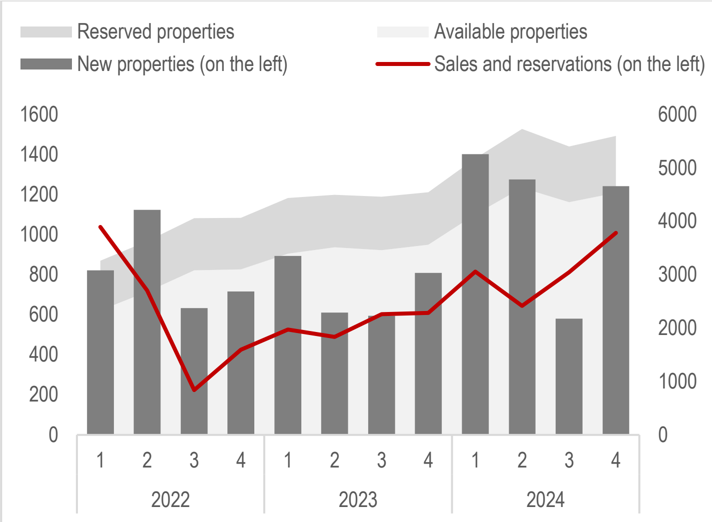
- 50% two-room apartments (median size: 42 m^2)
- 25% three-room apartments (median size: 62 m^2)
- 16% one-room apartments (median size: 28 m^2)
- 8% four-room apartments (median size: 96 m^2)

Despite rising sales, developers remained more active than buyers, increasing the stock of available homes by 25%, from 3,560 to 4,536 units over the year. Another 1,064 apartments were marked as reserved at year-end—7.8% more than in December 2023. Greater developer activity resulted in a lower share of move-in-ready homes in total supply. By the end of 2024, completed or nearly completed homes made up 30% of the market, down from 40% a year earlier. With demand increasing, this share is expected to decline further.

The market balance indicator (including reservations) improved over the year from 1.42 to 1.30, approaching the threshold of a balanced market (0.75–1.25). This trend is likely to continue, but a potential shortage of supply could heat up the market in the second half of 2025.

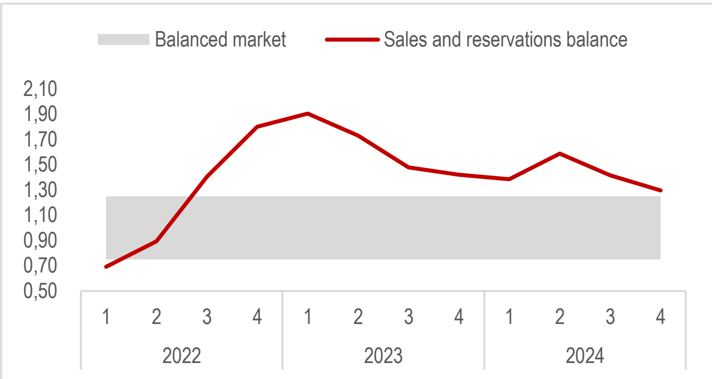
Prices in the primary residential market saw moderate growth over the year. The 1st decile increased by 4.7%, from 2,365 to 2,476 €/m², while the 9th decile rose by 3.2%, from 4,360 to 4,500 €/m². The median price grew by 6.7%, from 3,111 to 3,318 €/m². In 2025, price dynamics will largely depend on wage growth and a potential supply-demand imbalance.

Supply and demand in the primary residential market in Vilnius



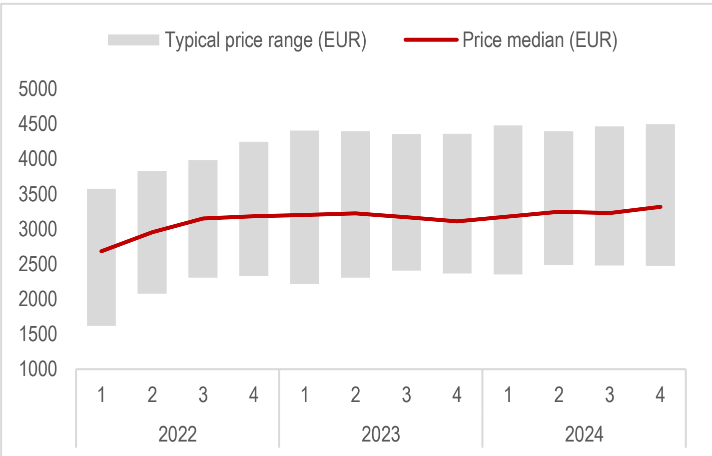
Source: INREAL

Primary residential market balance indice in Vilnius



Source: INREAL

Asking prices in the primary residential market in Vilnius



Source: INREAL

VILNIUS SECONDARY RESIDENTIAL MARKET

In 2024, the Vilnius region (including the city and district municipalities) recorded a slight decline in residential apartment transactions, primarily driven by a 29.5% drop in new-build transactions, falling from 3,850 to 2,714 units. The sales dynamics of new construction serve as a lagging indicator, reflecting preliminary agreements signed one to two years ago in the primary market. A more accurate representation of the current market situation comes from sales of older properties, which increased by 10.6%.

Asking prices in the secondary market grew moderately in 2024. Prices for pre-1940 properties rose 4.6%, from 3,937 to 4,117 €/m². Apartments built before 1990, which had a lower price base, saw a 10.8% increase, from 2,274 to 2,519 €/m². Prices for 2000–2010 apartments increased 3.7%, from 2,762 to 2,865 €/m², while properties built after 2010 appreciated by 2.4%, from 3,823 to 3,915 €/m².

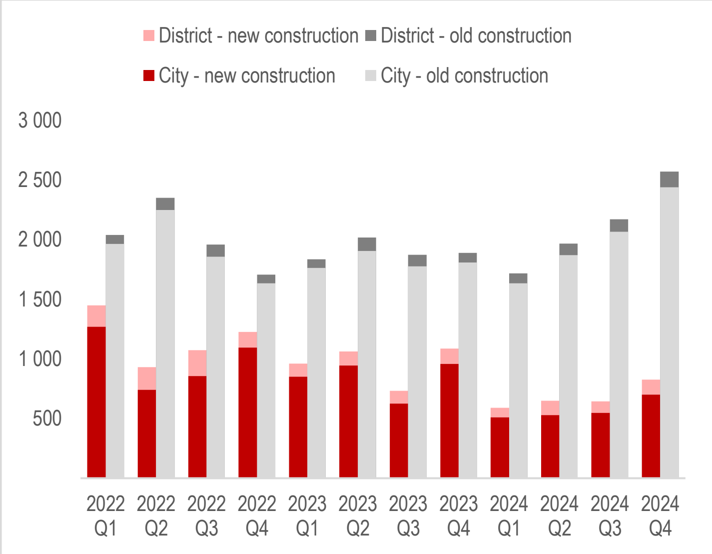
Rental prices remained stable throughout 2024, with the median rent fluctuating as follows:

- 1-room apartments: 400–430 €/month
- 2-room apartments: 600–650 €/month
- 3-room apartments: 800–820 €/month

In 2024, the commercial rental housing supply expanded by approximately 900 units with the addition of projects such as Atlas Co-living, Eften Living Vilnius, Liv_in Vilnius, Newtown, Hedonistas, and B10. Rental yields fluctuated between 5–7% throughout the year, influenced by seasonality, smaller rental unit sizes, property location, and building age. In 2025, yields may decline slightly, as more tenants opt to purchase homes, limiting rental price growth as an alternative to ownership. Additionally, higher buyer activity could accelerate sales price growth, reducing the annual rent-to-sale price ratio and further impacting yields.).

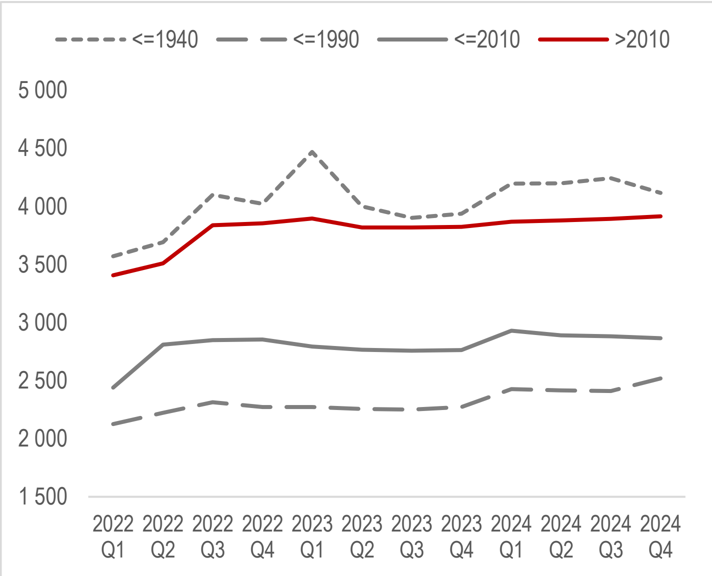
One of the key challenges for Vilnius' housing market in 2025 will be maintaining a balance between supply and prices. Rising wages and falling mortgage rates have enabled buyers to return to the market, but a supply shortage threatens to disrupt this fragile balance, potentially leading to market stagnation. Revised State Data Agency (VDA) figures indicate an easing of the construction permit shortage, but there is still no surplus. A quarterly supply of 1,000 new apartments is only sufficient for a moderately active market. Lower prices in the older housing segment will provide more affordable homeownership opportunities for lower-income buyers. However, higher replacement costs may limit the willingness and ability of existing homeowners to sell their older apartments in the secondary market.

SE RC tracked RE apartments transactions in the Vilnius region



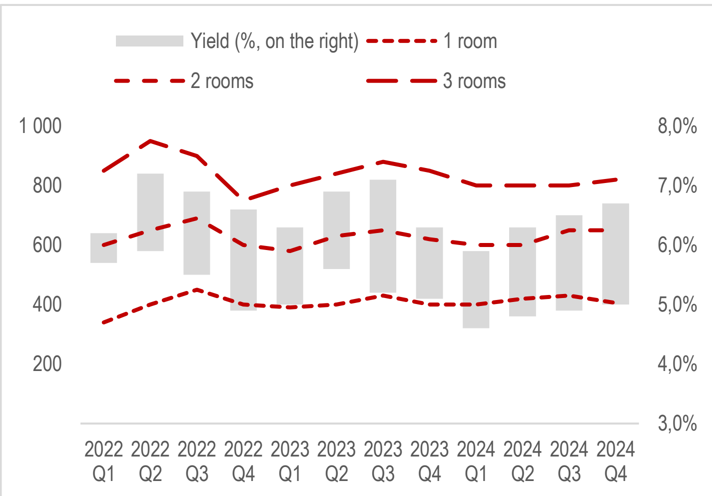
Source: SE Centre of Registers

Asking prices in the secondary apartment market in Vilnius



Source: INREAL

Apartment rent prices and annual income yield in Vilnius



Source: INREAL

Sales and Reservations	New Annual Supply	Available Supply at Year-end
797 (+31,7%)	826 (+28,9%)	750 (+3,0%)
Apartment transactions (RC)	**Population**	**Primary Market Balance Indicator**
5 509 (5,8%)	390 836 (+1,1%)	0,91 (2023 pabaigoje – 1,05)

KAUNAS PRIMARY RESIDENTIAL MARKET

The Kaunas primary apartment market reached its lowest point at the turn of 2022–2023 and has been steadily recovering since. In 2024, developers and buyers agreed on 797 new-build apartment transactions (including reservations), marking a one-third increase compared to 2023.

Annual sales and reservations (adjusted for cancellations) were closely aligned with new supply, which reached 826 units, growing by over 25% year-on-year. Improved affordability and stronger competition from the detached housing segment led to larger apartments being offered in Kaunas compared to Vilnius:

- 47% two-room apartments (median size: 46 m²)
- 37% three-room apartments (median size: 62 m²)
- 16% four-room apartments (median size: 80 m²)
- 4% one-room apartments (median size: 31 m²)

At the end of 2024, the primary market supply in Kaunas stood at 750 apartments, reflecting a 3.0% increase from the previous year. Additionally, 614 apartments were marked as reserved, up 22.6% compared to the end of 2023.

Despite lower market activity than in Vilnius, Kaunas' primary apartment market has been balanced since the end of 2023 (with a balance indicator of 1.05). In 2024, this balance remained, closing the year with an indicator of 0.91 (including reservations). Notably, Kaunas had a higher proportion of reserved units than Vilnius (45% vs. 19%).

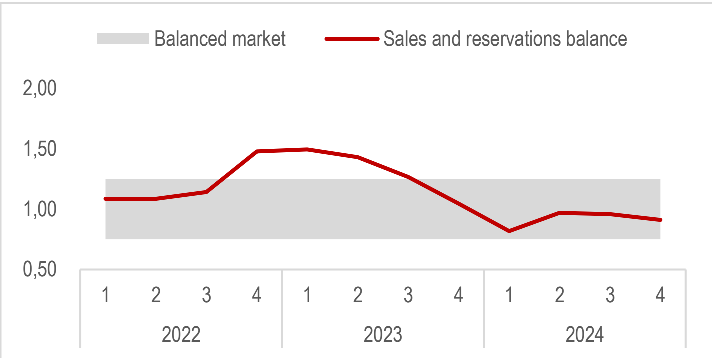
Although the Kaunas primary apartment market is well-balanced, market activity remains significantly lower than in Vilnius. If the recovery gains further momentum, market overheating is a potential risk. However, Kaunas' population growth is currently only compensating for previous periods of emigration losses rather than driving new demand.

A lower price base and structural shifts in supply resulted in faster price growth in Kaunas compared to Vilnius. The 1st decile increased by 27.6%, from 1,700 to 2,169 €/m², while the 9th decile rose by 20.3%, from 3,032 to 3,649 €/m². The median price grew by 11.7%, from 2,447 to 2,734 €/m².

Supply and demand in the primary residential market in Kaunas

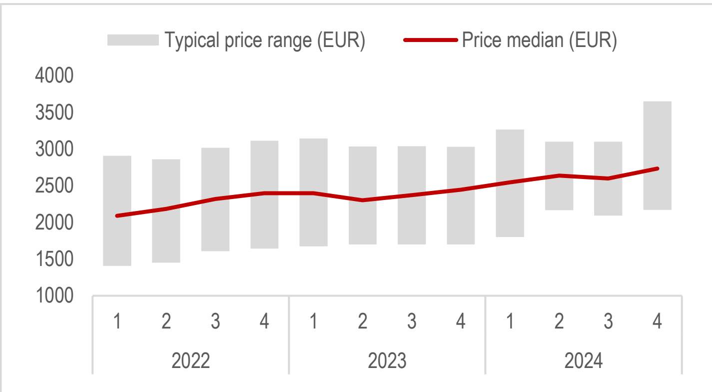
Source: INREAL

Primary residential market balance indice in Kaunas



Source: INREAL

Asking prices in the primary residential market in Kaunas



Source: INREAL

KAUNAS SECONDARY RESIDENTIAL MARKET

According to SE Centre of Registers data, the number of apartment transactions in Kaunas city and district municipalities increased by 5.8% in 2024, rising from 5,205 to 5,509. However, as in Vilnius, this growth was driven by older apartments, which saw a 15.4% increase (from 3,493 to 4,030). Meanwhile, new-build apartment sales declined by 13.6%, from 1,712 to 1,479. Nevertheless, quarterly data indicates an upward trend in both segments..

Asking prices in 2024 varied across different building age groups. Prices for pre-1940 apartments increased by 4.8%, from 2,509 to 2,630 €/m². Apartments built before 1990 rose by 8.0%, from 1,622 to 1,751 €/m². However, apartments built between 2000–2010 saw an 8.2% decline, from 2,245 to 2,062 €/m², likely influenced by structural changes in supply and more realistic seller expectations. Meanwhile, newer apartments (built after 2010) appreciated by 2.3%, from 2,863 to 2,929 €/m².

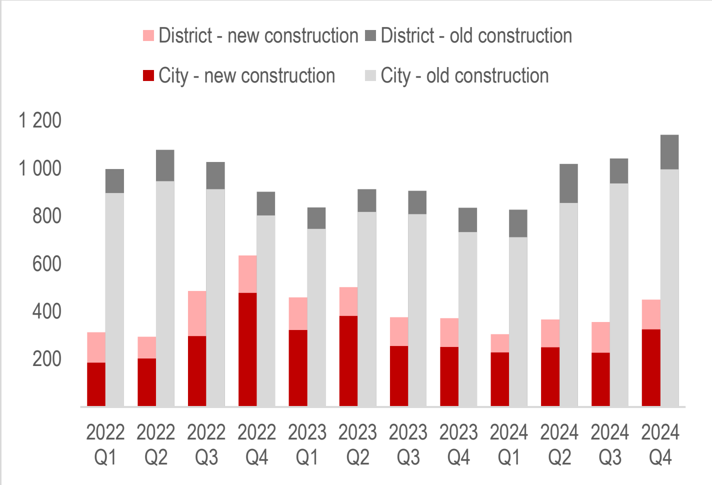
Rental prices remained stable throughout 2024, with the median rent fluctuating as follows:

- 1-room apartments: 320–350 €/month
- 2-room apartments: 490–500 €/month
- 3-room apartments: 590–650 €/month.

Kaunas' market size and development level contributed to rental yields ranging between 6–8%, approximately 1 percentage point higher than in Vilnius. Demographic factors also play a key role. Unlike in Vilnius, Kaunas has a relative surplus of older apartments, which are less attractive to buyers due to their lower prices. At the same time, lower-income residents often lack the financial ability to purchase homes and have weaker bargaining power in the less-developed rental market.

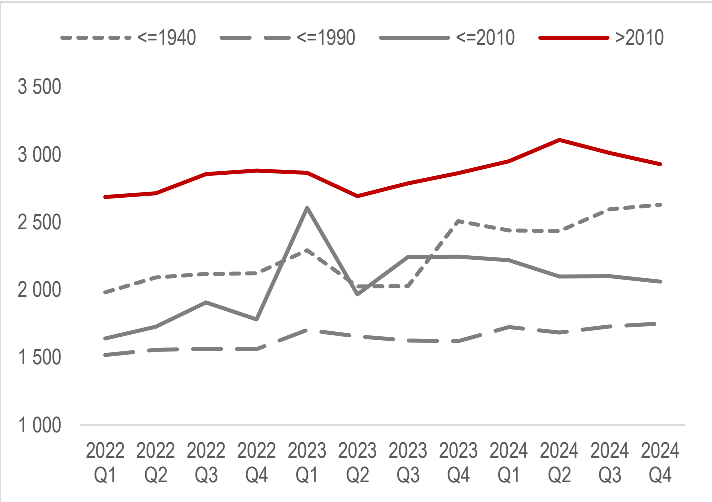
The growing population and a well-balanced primary apartment market could encourage more developers to focus on Kaunas. Diverse developer strategies would enhance the variety of new-build apartments, potentially accelerating population growth—especially in the coming years when Rail Baltica terminals open, further improving connectivity with Vilnius and other European capitals.

SE RC tracked RE apartments transactions in the Kaunas region



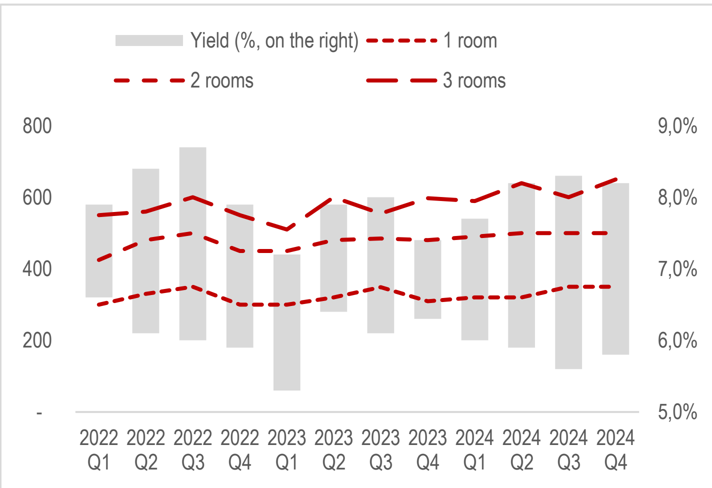
Source: SE Centre of Registers

Asking prices in the secondary apartment market in Kaunas



Source: INREAL

Apartment rent prices and annual income yield in Kaunas



Source: INREAL

Sales and Reservations	New Annual Supply	Available Supply at Year-end
292 (+12,3%)	257 (-45,3%)	292 (-21,7%)
Apartment transactions (RC)	**Population**	**Primary Market Balance Indicator**
3 057 (1,2%)	201 791 (+1,5%)	0,85 (2023 pabaigoje – 1,54)

KLAIPĖDA PRIMARY RESIDENTIAL MARKET

Despite being the smallest among Lithuania's three major cities, Klaipėda's primary apartment market followed trends similar to those in Kaunas and Vilnius. The market reached its lowest activity level at the end of 2022, and recovery has been observed since. Due to its smaller market size, sales have experienced greater fluctuations. Additionally, lower supply levels compared to Vilnius and Kaunas, along with a slower pace of new inventory additions, have influenced buyer behavior and purchasing decisions.

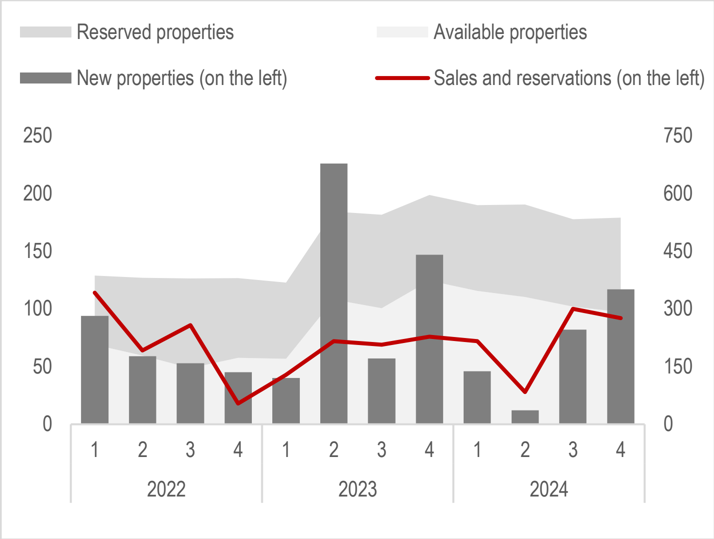
In 2024, INREAL recorded 292 sales and reservations, an eighth more than in the previous year. This figure does not include non-public sales from the "Mėmelio Miestas" project, where the 105 planned units in the first phase alone account for one-third of Klaipėda's annual primary market demand and supply. Notably, the developer has planned to rent out part of these units. Developers publicly introduced 257 new apartments to the market in 2024, slightly fewer than the number of sales recorded and nearly half of what was agreed upon in 2023. The lack of public data on certain large projects has skewed statistics, as the timing of public announcements, updates, and information availability has a significant impact on both quarterly and annual results. In 2024 the developers supplied the market with:

- 46% two-room apartments (median size: 43 m²)
- 28% three-room apartments (median size: 64 m²)
- 15% one-room apartments (median size: 31 m²)
- 6% four-room apartments (median size: 92 m²)

Rising sales and slower supply growth helped balance the market. By the end of the year, the balance indicator (including reservations, which, like in Kaunas, represent a significant market share) stood at 0.85, a notable improvement from the end of 2023, when the market was formally a buyer's market.

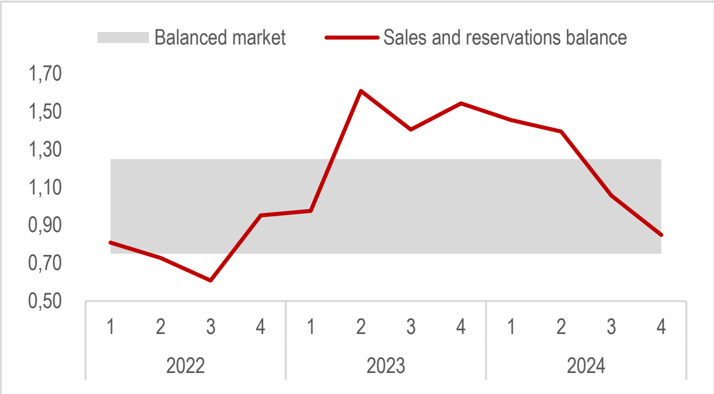
Price trends in 2024 were influenced by structural changes in supply, such as the introduction of economy-class apartments in a renovated multi-apartment building, as well as reduced price transparency in higher-end projects, where some developers stopped publicly listing prices. As a result, the 1st decile dropped by 8.2% (from 1,804 to 1,656 €/m²), the 9th decile declined by 21.6% (from 3,600 to 2,822 €/m²), and the median price fell by 8.0% (from 2,390 to 2,198 €/m²).

Supply and demand in the primary residential market in Klaipėda



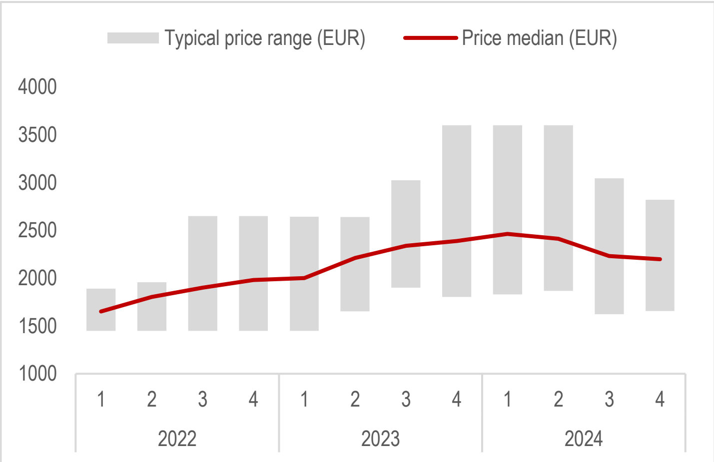
Source: INREAL

Primary residential market balance indice in Klaipėda



Source: INREAL

Asking prices in the primary residential market in Klaipėda



Source: INREAL

KLAIPĖDA SECONDARY RESIDENTIAL MARKET

According to State Enterprise Centre of Registers data, the number of apartment transactions in Klaipėda city and district municipalities grew by 1.2% in 2024, rising from 3,021 to 3,057. Similar to Vilnius and Kaunas, the increase was driven by older apartment sales, which grew by 7.6% (from 2,458 to 2,645). Meanwhile, new-build apartment sales declined by 26.8%, from 563 to 412. Due to the smaller market size, fluctuations are more pronounced, making steady growth less apparent.

Prices fluctuated across different age groups in 2024, largely influenced by structural supply shifts and changing seller expectations. Prices for pre-1940 apartments dropped by 7.8%, from 2,211 to 2,038 €/m². Apartments built before 1990 increased by 7.3%, from 1,569 to 1,684 €/m², while those built between 2000–2010 declined by 4.1%, from 1,946 to 1,867 €/m². Meanwhile, newer apartments (built after 2010) appreciated by 7.3%, from 2,667 to 2,863 €/m².i.

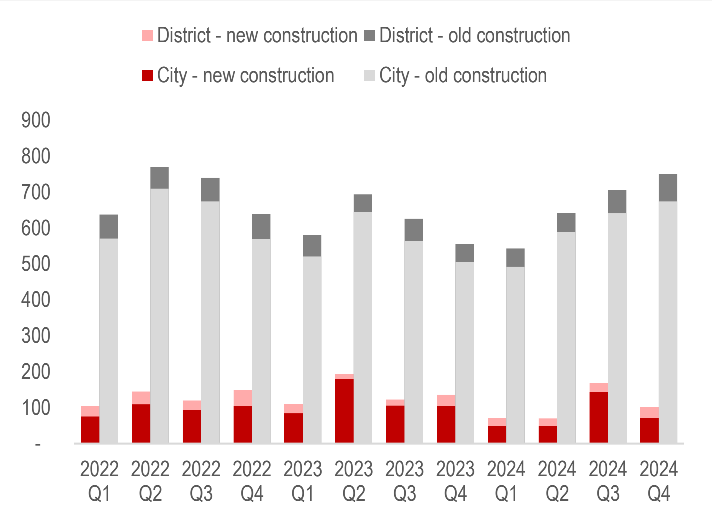
Median rental prices fluctuated in 2024, with Klaipėda's overall price levels slightly lower than Kaunas:

- 1-room apartments: 300–350 €/month
- 2-room apartments: 480–500 €/month
- 3-room apartments: 585–650 €/month.

Rental income yields in Klaipėda were similar to those in Kaunas, ranging from 6% to 8%, depending on apartment size and seasonal trends..

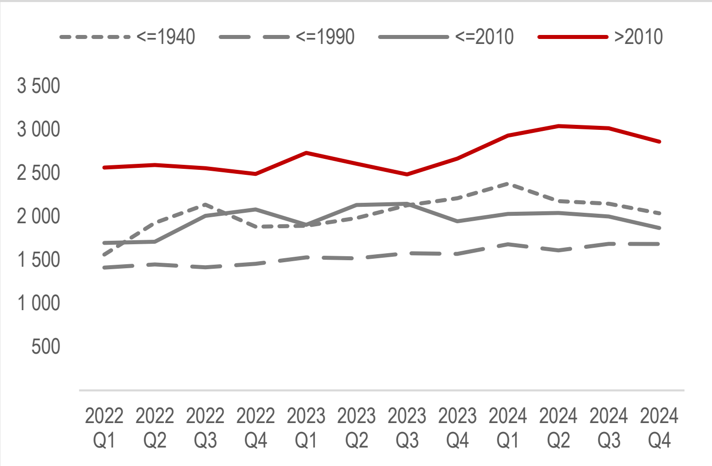
In 2024, Klaipėda's population reached its highest level in over a decade. This population growth creates conditions for the development of more new-build projects, the revitalization of the city center, and a more vibrant evening city life, further enhancing Klaipėda's attractiveness. One of the key emerging urban hubs is expected to be Mėmelio Miestas, which will introduce new office spaces, residential units, and commercial areas.

SE RC tracked RE apartments transactions in the Klaipėda region



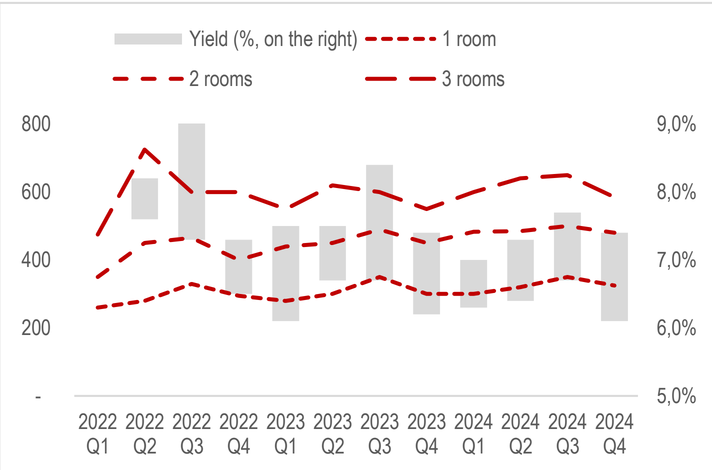
Source: SE Centre of Registers

Asking prices in the secondary apartment market in Klaipėda



Source: INREAL

Apartment rent prices and annual income yield in Klaipėda



Source: INREAL

COMMERCIAL REAL ESTATE

Office Supply	GLA Under Construction	BCs Under Construction
1 170k m² (+40k m²)	154 k m² (newly started 100k m²)	14 (newly started 11)
A Class. Rent | Vacancy	**B1 Class. Rent | Vacancy**	**B2 Class. Rent | Vacancy**
16–20 Eur/m² | 6–6,5%	12–16 Eur/m² | 9–10%	8–11 Eur/m² | 9–11%

VILNIUS BUSINESS CENTER MARKET

In the second half of 2024, three new business centers—Yellowstone, Sand Offices, and PB Office—were completed, adding approximately 20,000 m² of office space to the market. Over the full year, developers introduced a total of 40,000 m² across six business centers in Vilnius.

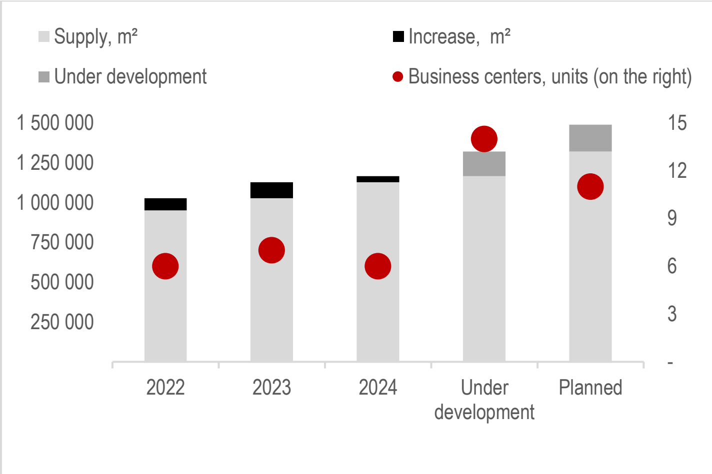
During the same period, construction began on six additional business centers: L34, Summos, Eika BC expansion, Paribio 34, Cybercity expansion, and Sėlių 3A. These projects will contribute around 25,000 m² to the market, bringing the total area of business centers under construction to approximately 140,000 m². Completion is expected between 2025 and 2026.

Limited new supply growth has helped maintain vacancy rate stability. At the end of 2024, A-class office vacancy stood at 6.5%, while B1 and B2 class offices recorded vacancy rates of 9% and 11%, respectively. The current availability of office space, combined with planned new supply, is preventing significant rental price growth.

- A-class office rents remain stable at 16–20 €/m²
- B1-class offices: 12–16 €/m²
- B2-class offices: 8–11 €/m²

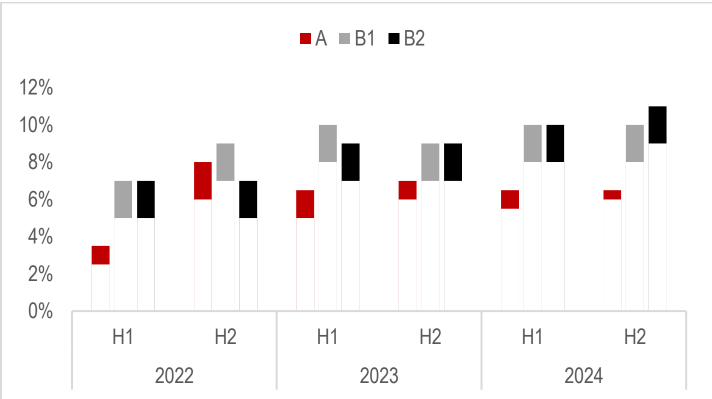
The main market challenges remain unchanged: the slowing expansion of foreign service centers, weaker growth of local businesses, and the widespread adoption of hybrid work models. Additionally, tightening sustainability requirements and an increasing supply of vacant office space are putting pressure on older business centers, some of which could be repurposed into residential housing in the future.

Development of business centers in Vilnius



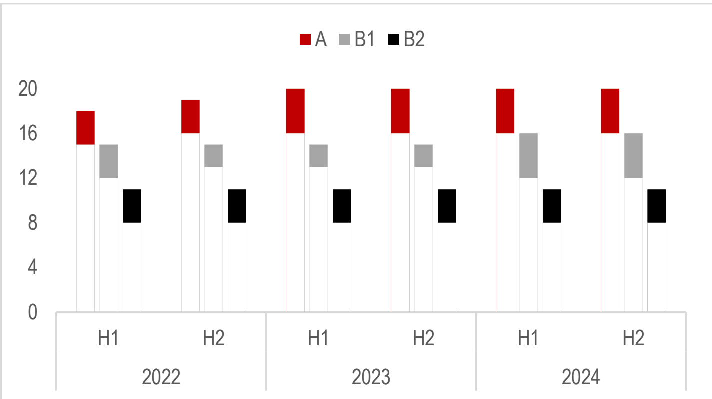
Source: INREAL

Vacancy rate of business centers in Vilnius



Source: INREAL

Rental prices of business centers in Vilnius



Source: INREAL

Office Supply	GLA Under Construction	BCs Under Construction
310k m²	20k m² (newly started 12.5k m²)	4 (newly started 2)
A Class. Rent | Vacancy	**B1 Class. Rent | Vacancy**	**B2 Class. Rent | Vacancy**
13–17 Eur/m² | 2–3%	10–14 Eur/m² | 3–4%	8–9 Eur/m² | 6–8%

KAUNAS BUSINESS CENTER MARKET

In recent years, office development in Kaunas has significantly slowed down, with only a few projects completed annually. Currently, four business centers—Merkurijus, Savanorių 239, Hermanas, and V171—are under development and will add approximately 20,000 m² of office space to the market over the next two years. Additionally, Tesonet has acquired land on H. O. Minkovskio Street, with plans to develop at least 10,000 m² of office space.

The H. O. Minkovskio Street conversion, initiated by SBA Urban, is expected to follow a similar pattern to Brastos Street's transformation led by YIT—where anchor projects attract further developments, gradually creating a new, appealing urban district.

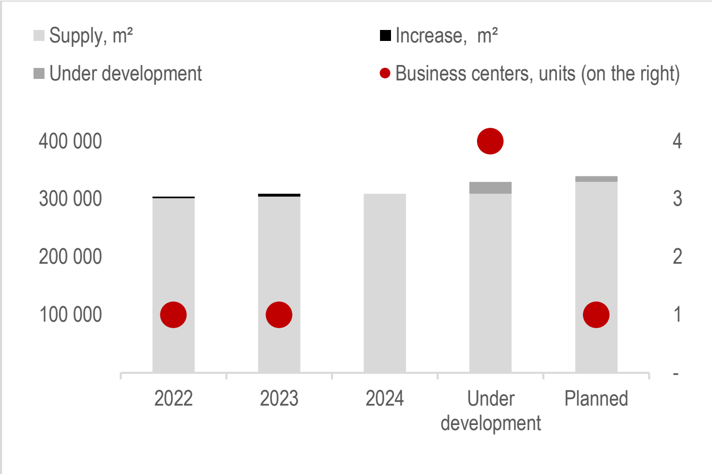
Once the new business centers are completed, vacancy rates in Kaunas are expected to increase slightly, a typical trend in smaller, less active markets where development occurs unevenly. The increased office supply will come not only from new buildings but also from tenant migration from older offices to newly built spaces.

Currently, vacancy rates in Kaunas and Klaipėda remain low, especially compared to Vilnius. In Kaunas, A-class office vacancy is around 2–3%, B1-class is at 3–4%, and B2-class ranges between 6–8%.

No significant changes in rental prices were recorded.

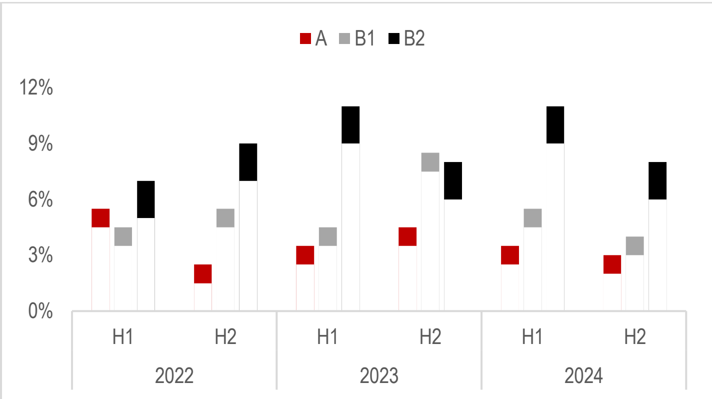
- A-class office rents: 13–17 €/m²
- B1-class offices: 10–14 €/m²
- B2-class offices: 8–9 €/m²

Development of business centers in Kaunas



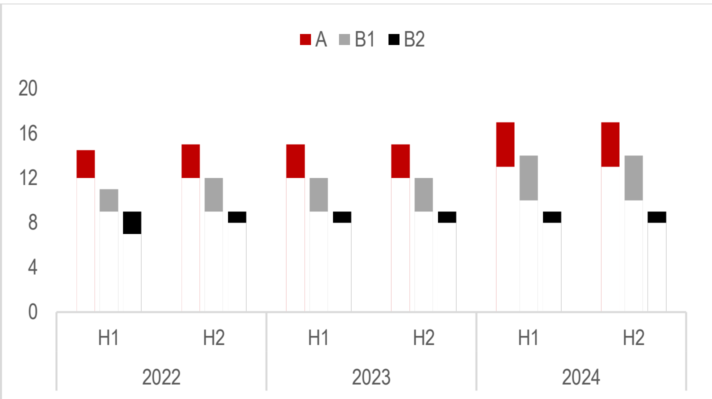
Source: INREAL

Vacancy rate of business centers in Kaunas



Source: INREAL

Rental prices of business centers in Kaunas



Source: INREAL

Office Supply	GLA Under Construction	BCs Under Construction
98k m² (+3k. m²)	11k m²	1
A Class. Rent | Vacancy	**B1 Class. Rent | Vacancy**	**B2 Class. Rent | Vacancy**
11–13 Eur/m² | 2–3%	9–12 Eur/m² | 3–4,5%	6–8 Eur/m² | 6–7%

KLAIPĖDA BUSINESS CENTER MARKET

In 2024, the 2BYSA business park was completed, adding 3,000 m² of office space to the market. By the end of 2025, the Hanza business center (~11,000 m²) is expected to be completed in the Mėmelio Miestas district. Over the next two years, the Jūros Miestas project near Jakų žiedas is also set for completion, introducing stock-office spaces that combine office and warehouse facilities.

For over a decade, business center development in Klaipėda has been slow, making new projects of high interest for potential tenants and act as a key indicator for future expansion. As the population grows and new jobs are created, an adequate supply of modern office space will become increasingly important. The successful introduction of new business centers could trigger a wave of new developments, similar to Kaunas' rapid expansion from 2017 to 2020. However, Klaipėda's population growth remains moderate, and past residential and commercial developments, despite attracting early interest, were not quickly absorbed by the market.

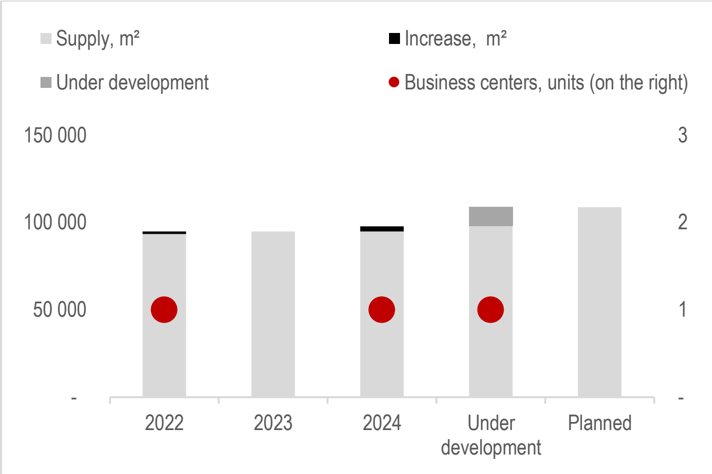
Due to limited new supply, vacancy rates in Klaipėda's business centers remain low. A-class office vacancies account for 2–3%, while B1-class vacancies stand at 3–4.5%, and B2-class at 6–7%. The relatively small market means tenants have limited options, with only a few thousand square meters of available office space.

The dominance of older office buildings keeps rental prices lower than in Vilnius and Kaunas.

- A-class offices: 11–13 €/m²
- B1-class offices: 9–12 €/m²
- B2-class offices: 6–8 €/m²

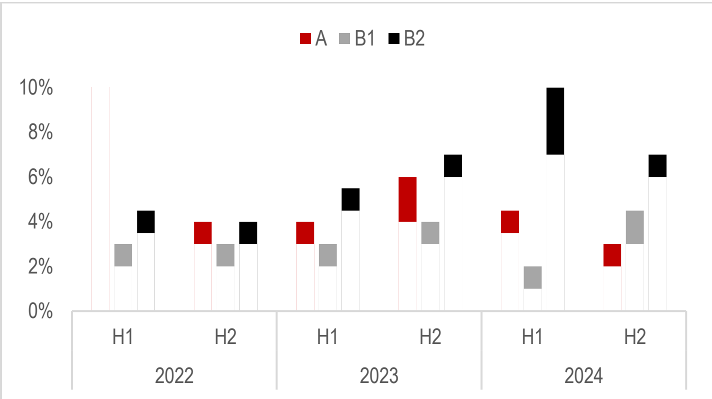
As the supply of premium office space remains limited, individual, modern office spaces command higher-than-average rents.

Development of business centers in Klaipėda



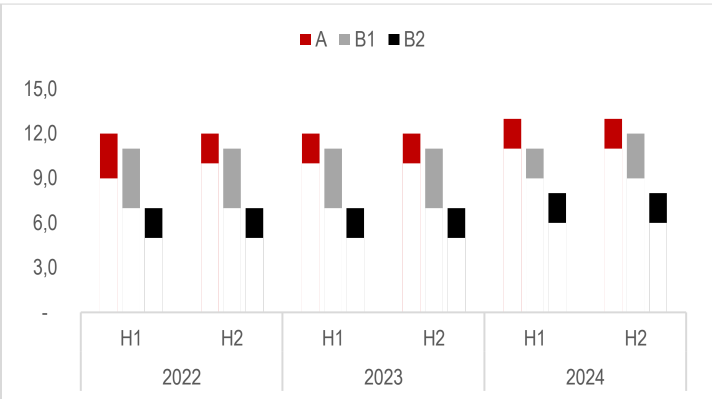
Source: INREAL

Vacancy rate of business centers in Klaipėda



Source: INREAL

Rental prices of business centers in Klaipėda



Source: INREAL

Vacancy in Vilnius	Vacancy in Kaunas	Vacancy in Klaipėda
4,5%	6%	5%
Rent Prices in Vilnius	**Rent Prices in Kaunas**	**Rent Prices in Klaipėda**
5–12 Eur/m^2	4–11 Eur/m^2	5–11 Eur/m^2

In the second half of 2024, warehouse vacancy rates continued to increase slightly. By year-end, vacancies stood at approximately 4.5% in the Vilnius region, 6% in Kaunas, and 5% in Klaipėda.

Although these vacancy rates remain moderate, they indicate that tenants now have more options without needing to wait for new developments. No significant price changes were observed, but tenants gained more bargaining power as landlords aimed to fill vacant warehouse spaces.

Rental prices for new and modern warehouses remained stable:

- Vilnius: 5–6 €/m²
- Kaunas: 4–5 €/m²
- Klaipėda: 4.5–5.5 €/m²

Older warehouse spaces were available at lower rates:

- Vilnius: 3–4.5 €/m²
- Kaunas & Klaipėda: 2.5–3.5 €/m²

Stock-Office rents remained higher, at 8–12 €/m² in Vilnius and 8–11 €/m² in Kaunas and Klaipėda.

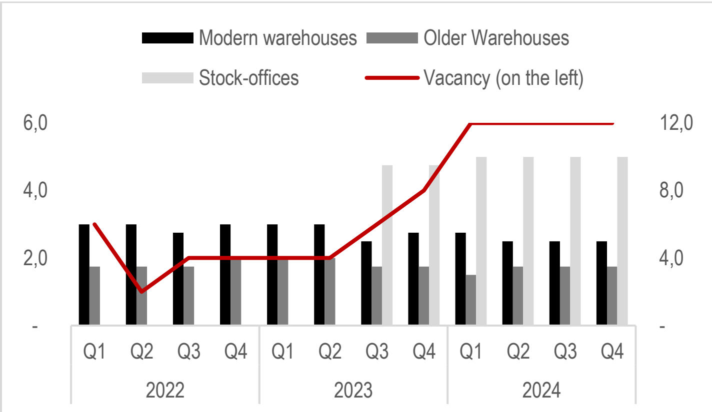
The demand for modern industrial and logistics facilities remains strong. Manufacturing and warehouse buildings in central urban areas present conversion opportunities, while owners of older properties in peripheral locations face more complex challenges due to high construction and renovation costs.

According to a Verslo Žinios survey, both supply and demand are expected to grow, but the direction of rental price changes remains uncertain.

Storage premises indicators in Vilnius

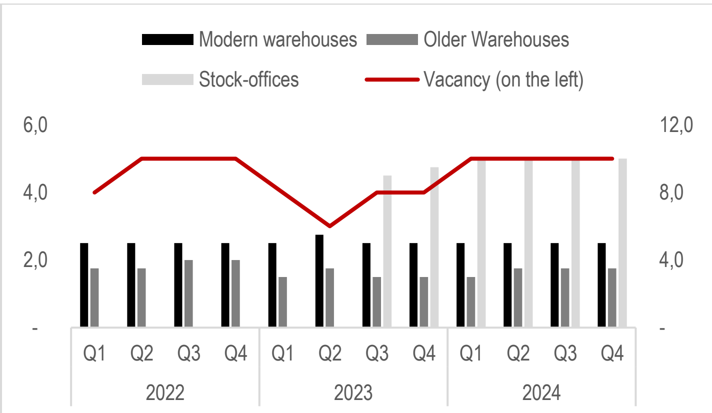
Source: INREAL

Storage premises indicators in Kaunas



Source: INREAL

Storage premises indicators in Klaipėda



Source: INREAL

REAL ESTATE LAW

REAL ESTATE LAW REVIEW

REGULATORY CHANGES

As already discussed in our first half-year review, 2024 witnessed numerous changes in the legal rules governing the real estate market (for the most part, those governing the design process).

In this annual real estate law review, we consider worth discussing the following significant new legal developments:

LAW ON CONSTRUCTION AND RELATED LEGISLATION

- 1 November 2024 marks an important date in terms of changes to the legal rules governing the design and construction process. As already pointed out on numerous occasions (including in our previous reviews), with the entry into force as of that date of the amendments to the Law on Construction and related legislation, the design process was significantly changed by the introduction of two separate stages for the preparation and approval of the design proposals and of the detailed technical design. A building permit is issued subsequent to the preparation and approval of the design proposals; however, the right to construct new buildings is granted only after the preparation of the detailed technical design and submitting of a notice of commencement of construction (subject to certain exceptions as set out in the Law on Construction and subordinate legislation).

- It is noteworthy that, together with the notice of commencement of construction, in addition to the building permit, the design proposals and the detailed technical design, the builder is generally obligated to submit documents such as statements obtained from the owners, managers or users of the traffic infrastructure and engineering networks to which the engineering networks and/or traffic infrastructure of the land plot are to be connected that the detailed technical design solutions meet the requirements of the conditions for connection. This basically means the introduction of an additional stage for coordination of the design solutions after the design proposals have been approved and the building permit has been obtained. The entry into force of these amendments has not simplified the design process. Rather on the contrary, builders are forced to invest more in the document prepared in the first stage of the design process, i.e. the design proposals, not yet being sure that they will be able to exercise this right after they have obtained a building permit.

- As already mentioned in our H1 2024 review, a condition precedent for the commencement of construction is entering into a municipal infrastructure development agreement (where the builder is obligated to conclude such type of agreement in the cases provided for in the Law on the Development of Municipal Infrastructure) and payment of a contribution. Given that this often entails significant costs for the builder, the requirement should be seen as another burden for the builder proposing to invest in one or another project.

- Following the entry into force of the amendments to the Law on Construction, the appearance of a building is considered a core aspect of the building design. This new development has an important practical aspect to it. Changes to the core solutions of the building design (and therefore the appearance of the building) require obtaining a new building permit. The criteria for the core aspects of the appearance of a building approved by the Minister for Environment are rather concise and do not enable making an objective determination of when a change to the appearance of a building leads to a requirement to obtain a new building permit. The provisions of the Construction Technical Regulation STR 1.04.04:2017 "Design of a building, expert examination of the design documentation" suggest that a decision to change the façade's coating, or even its colour, is likely to result in the need to obtain a new building permit. The practice in this regard is still evolving, and it only remains to hope that the provisions in question will be reasonably applied by the authorities. However, it is very much likely that changes to what has become a core design aspect will not necessarily reasonably lead to a requirement to obtain a new building permit (which also entails additional time and financial costs).

- Effective 1 November 2024, amendments to the Construction Technical Regulation STR 1.04.04:2017 "Design of a building, expert examination of the design documentation" entered into force. These amendments are intended to regulate what exactly constitutes a substantial change in the appearance of a building, as mentioned above.

- The amendments to the Construction Technical Regulation STR 1.04.04:2017 "Design of a building, expert examination of the design documentation", among other things, specify and determine the composition of the design proposals and the technical detailed design. As these are documents with basically new content, the amendments are relevant for builders and designers alike when negotiating the subject matter of design contracts and for developers in general when forecasting their spending on the design process. The amendments are therefore very significant from a practical point of view.

- As of 1 November 2024, amendments to the Procedure for the Structure and Issuance of the Special Requirements, Special Architectural Requirements, Special Requirements for the Management and Protection of the Protected Area came into force.
- As of the entry into force of these amendments, special requirements will be mandatory when a building permit is required and there are plans to carry out new construction or reconstruction operations and one of the following circumstances is present: (i) the structure falls within the list of structures important for the public, or (ii) in the cases established in Article 20 of the Law on Territorial Planning, local-level territorial planning documents are not in place and construction on the specific land plot is allowed, or (iii) an application has been filed by the builder. Thus, in two of the cases referred to above, compliance with special requirements will be mandatory, regardless of the willingness of the builder.
- There is another noteworthy change to this subordinate legislative provision. If the Chief Architect of the municipality identifies during the preparation of special architectural requirements *the need for additional information that can be available from the public*, he or she may decide to initiate and organise an additional public consultation procedure, which must extend over a period of at least 20 working days. On the one hand, the legal provision does not set clear criteria for when the Chief Architect is entitled to take such a decision which entails additional time costs. On the other hand, there is lack of clarity which proposals from the concerned public (which, once approved, will become binding) the Chief Architect will take into account and which criteria will be used for including such proposals from the public in the special architectural requirements. Understanding that there are good intentions behind this to achieve broad involvement from the public concerned in the real estate development process, the expectation remains that the rules of the game should be very clearly defined, thus leaving no chances for abuse and not making unreasonably difficult the daily routine of builders and real estate developers which is already hard for them. Accordingly, in our view, such amendments and rules need improvement.

RELEVANT CHANGES TO THE LAW ON LAND

- The Seimas has adopted amendments to the Law on Land which entered into force on 1 November 2024. Based on provisions of the Law on Land that were applicable before the amendments, transactions concluded by a municipality used to be submitted to the municipal council for approval without obtaining the opinion on the compliance of such transaction with the requirements of the legal acts from the National Land Service under the Ministry of Environment. Beginning from 1 November 2024, the National Land Service under the Ministry of Environment will verify compliance of transactions with the legislative requirements prior to the submission of any such transaction to the municipal council for approval.

  Ahead of the entry into force of such amendments, there was every possibility for a strange situation to develop when, for example, a state-owned land lease agreement is approved by the municipal council, but the opinion of the National Land Service under the Ministry of Environment is in the negative. Such red tape used to even more complicate the complex process of management and use of state-owned land.
- According to the Ministry of Environment, owing to the shortened procedure, municipal councils will have to take less decisions on transactions, which will result in savings of human and time resources of municipal administrations. However, it should be noted that, for market players, the process itself will not bring more efficiency. In general, we note that now that state-owned land management issues have been transferred to municipalities, the issues of management of such land (entering into state-owned land lease agreements, etc.) are in the hands of two institutions instead of one (which prior to such transfer was the National Land Service under the Ministry of Environment). In our experience from constantly advising in real estate projects, a situation where issues are dealt with by two institutions that often find difficulty understanding each other, significantly complicates even such routine administrative processes as renewal of state-owned land lease agreements.

AMENDMENTS TO THE LAW ON REAL PROPERTY CADASTRE

- The Seimas has approved amendments to the Law on the Real Property Cadastre. Currently, if a decision is required to establish or change the cadastral data for a land parcel, the files of the cadastral data of the land parcel are submitted for verification to the National Land Service under the Ministry of Environment, and if no such decision is required, to the State Enterprise Centre of Registers. After the entry into force of the amendments, from 1 July 2025, in all cases surveyors will submit the cadastral data files of real estate properties for verification and approval to the manager of the Real Property Cadastre – the State Enterprise Centre of Registers. In cases where a decision of the National Land Service under the Ministry of Environment will be required for the purpose of formation of an immovable property object, it will be taken only based on the cadastral data file approved by the manager of the cadastre. The cadastral data file of an immovable property object will be deemed to be approved when the manager of the cadastre issues a decision approving the cadastral data file of an immovable property object following the procedure established by the Minister of Environment.

CASE LAW

Supreme Court of Lithuania (SCL) ruled on strict (i.e. no-fault) civil liability of the owner of the structures. SCL ruling in civil case No e3K-3-146-403/2024.

- According to the case-law of the court of cassation, the owner (possessor) of structures must assume the risk associated with, and compensate for damages caused by, the collapse or other defects in the structures, even if, despite all available measures used, due care and diligence exercised to prevent the damage, the damage was nonetheless caused.
- According to the case-law of the court of cassation, the provisions of Article 6.266 of the Civil Code (the CC) establish the general rule that the owner of the structure, i.e. the person who holds title to the structure (CC Art. 4.37), is liable without fault for damage caused by defects in the structure. The owner is liable for damage caused by defects in the structure in all cases, unless possession of the structure has been transferred to another person – the possessor (CC Art. 6.266(1)). According to the case-law of the court of cassation, a person entrusted with the operation, maintenance or management of a property item on the basis of a right in rem or a right under the law of obligations is considered to be a possessor for the purposes of CC Art. 6.266. In determining whether the right of possession of the structure has been transferred in the context of application of strict liability, it must be established whether the legal and actual obligation to ensure the safety of the structure has been transferred to the possessor.
- In the view of the court of cassation, a person to whom only the function of technical maintenance of the structure has been transferred is not considered to be the possessor of the structure, and it is therefore necessary to establish on a case-by-case basis that the structure has been transferred into possession of another person and can be operated independently.

SCL ruling on the protection of the rights of a bona fide mortgage creditor in the event of invalidation of a mortgage transaction. SCL ruling in civil case No e3k-3-201-943/2024.

- According to the case-law of the court of cassation, CC Art. 4.197(6) provides for an exception that the mortgage creditor is to retain the mortgage right even if the mortgage transaction has been declared void. In cases where the mortgagor's title to the collateral is disputed, the mortgage creditor, as a third party vis-à-vis the parties to the transaction of acquisition of title, may defend itself as a bona fide acquirer of the right of mortgage (right in rem) asking not to be deprived of the right of mortgage, provided that the mortgage creditor was not and could not have been aware of the breaches committed by the mortgagor at the time of acquisition of title.
- A bona fide creditor may be considered one who has used available measures to make enquiries into the terms of the mortgage transaction, the collateral, and potential grounds for invalidity. Such information may be available from various sources, in particular clarifications provided by the owner of the property or his representative, registers or other persons, official and private sources.
- It should be noted in elaborating on the above-mentioned case-law of the court of cassation related to the interpretation and application of CC Art. 4.197(6) that when deciding whether a bona fide creditor should be allowed to retain its right even after the mortgage transaction was invalidated on the ground for which the mortgage creditor is not liable, the court is required to establish the grounds for invalidity of the mortgage transaction and also assess whether the legal defects in the mortgage transaction which served as a ground for invalidating the transaction had been actually known or could have been known to the mortgage creditor, and the mortgage creditor nevertheless entered into the transaction regardless of the legal defects in the mortgage transaction of which the mortgage creditor was aware, i.e. good faith of the mortgage creditor must be assessed, and it must be further established and assessed how the debtor contributed to the occurrence of such legal defects leading to invalidity of the transaction.

Supreme Court of Lithuania ruling on the lease of state-owned land without an auction. SCL ruling in civil case No e3K-3-165-916/2024.

- The court of cassation has given an interpretation that the conditions precedent for the right of a person to acquire title to a state-owned land plot without an auction, established in Article 10(5)(1) (as of 1 January 2023, Article 11(6)(1)) of the Law on Land, are as follows: the land plot must contain structures or facilities belonging to the person concerned and must be used for the operation of such buildings or facilities. Non-use is defined as handling of an item which does not produce economic efficiency, without exploiting its useful properties. Improper use, according to its legal consequences, may also be regarded to be absolute non-use when the degree of use of the land is low compared to that expected under the contract.
- In the case discussed here, the appellate court found that the evidence submitted by the plaintiff confirmed that the degree of use of part of the structures and the land plot was minimal, being equivalent to absolute non-use of the structures and the land plot. The plaintiff owned, inter alia, a greenhouse which was only 4% complete, i.e. it did not actually exist.
- The court held that the presence of the remains of the building was not a legally relevant circumstance for establishing the plaintiff's right to lease and/or purchase the state-owned land on preferential terms (without an auction). Besides, the court found that the plaintiff also owned other engineering structures – yard structures (fence, yard area, etc.) which were registered as appurtenances of another property item.
- Fences and yard areas are both classified as structures with no clear functional affiliation or defined use, so the presence of such structures on the state-owned land to which the dispute related did not give rise to a right to lease the land plot without an auction. Furthermore, situated on the land plot in question were two unregistered outbuildings, shown on the main drawing of the detailed plan of the land plot as temporary and under demolition. For the reasons set out above, the appellate court found that the plaintiff was not entitled acquire the right to lease or purchase the state-owned land plot without an auction.

Judgment of the Supreme Administrative Court of Lithuania (SACL) on an intervening state-owned land plot. SACL ruling No eA-1224-1047/2024.

- In accordance with Article 10 of the Law on Land, the main method of selling state-owned land is by way of an auction, while selling without an auction is an exception to this rule.

One such exception is when a state-owned land plot is considered an intervening land plot. The SACL has consistently held that a piece of land qualifies as an intervening land plot if all of the following conditions are met: (1) the area of the land plot must not exceed 0.04 hectares or 0.5 hectares, depending on the territory in which it is located; (2) there must be no possibility of forming a separate land plot on it following the established procedure; and (3) the land plot must not be adjacent to any other area of vacant state-owned land that has not been formed as a separate land plot. However, this condition of no adjacent land plot does not apply to an intervening area of land consisting of a narrow strip, slopes or ditches. Furthermore, in the case of acquisition of title to land (not in the case of lease), such land plot must lie in between: (1) either private land plots; (2) or private and leased state-owned land plots; (3) or private land plots and roads/streets or forest land plots/areas in an urban residential area. If any of the above conditions is not met, the land plot may not be sold as an intervening land plot.

SCL ruling on an improvement made in derogation from the legal regulation governing construction to a property item operated under the right of lease (loan for use). SCL ruling in civil case No e3K-3-231-684/2024.

- The court of cassation has given an interpretation that when deciding on an improvement made to a property (CC Art. 6.501(1)) it is also important to take account of whether construction and repair operations were carried out in compliance with the public law legislation governing the construction process. Alteration of a property in violation of the rules of public law governing construction cannot be regarded an improvement made to a property and does not give entitlement to claim reimbursement of the costs expended on such alteration. A contrary interpretation would mean a violation of one of the fundamental principles of law, specifically that no advantage may be gained from one's own wrong (Latin: *nullus commodum capere de sua injuria propria*).
- The panel of judges [...] has formulated the following rule of the interpretation and application of law: the prohibition laid down in CC Art. 4.103(1) to use or dispose of (sell, give as a gift, lease, etc.) a structure (a part thereof) constructed in an unauthorised manner, or not in an unauthorised manner but in breach of the solutions of the design of the structure or legal requirements also applies in the case where the building was unlawfully reconstructed. As long as the consequences of the unauthorised construction (reconstruction) are not eliminated as laid down in the Law on Supervision, by validating the

reconstruction of the structure (parts thereof), the issue of the exercise of the owner's rights and the fulfilment of the owner's obligations, including, among other things, the obligation to reimburse for making improvements to the structure, may not be decided.

- In the case discussed here, the court of first instance found that it was not possible to establish whether any part of the building had not undergone reconstruction. As mentioned above, it was established in the case that the area of the building and its external dimensions had increased, and new load-bearing structures (foundations, columns, walls) had been installed. This basically means that the plaintiff's entire dwelling house had been reconstructed, including, among other things, the addition of premises, thereby increasing its floor space, all without a building permit. For this reason, the dwelling house cannot be in civil circulation. For a person to acquire the rights which by their content are owner's rights to such real property and to be able to use and dispose of it lawfully, the consequences of unauthorised construction (reconstruction) must be removed. Before this happens, there is no legal basis for deciding on the division of the real property as a property right object, issuing an award of compensation for the relevant share (its value), while doing so would imply determining the monetary value of an illegally created object, etc.

RESIDENTIAL BUILDING PROJECTS

According to CityNow real estate data analysis platform 14 new development projects began construction in the second half of 2024. Here is a brief review of some of the most interesting residential projects in the city:

BASANAVIČIAUS (J. Basanavičiaus St. 28, Vilnius)
Built between 1910 and 1912 and has housed various institutions over the decades, including a bank, State Forestry Directorate, Vilnius military unit, university and more. While the building undergoes restoration, its spaces are being renewed by preserving original elements, adding high-quality finish, modern interior details and contemporary art. The ceiling height in the apartments reaches nearly 5 meters.

Developer	**Reefo**
Architect	Do Architects
Start	2024 Q3
Finish	2026
Number of apartments	24
Class	Luxury

PORTO FRANKO (Mozūriškių St. 50, 100, Vilnius)
Two low-rise residential blocks linked by a tree-lined promenade leading to a forest and Buivydiškės ponds with boat access, a private beach, sports fields, and recreation areas. Located in Justiniškės, just 5 minutes from the city center, it offers easy access to Pilaitė Avenue and the Western Bypass. Nearby amenities include Vilnius Outlet, Senukai, medical facilities, schools, and kindergartens.

Developer	**Joint RE-SPV-2 (Rinvest subsidiary company) and Larėjas**
Architect	Archimes
Start	2024 Q3
Finish	2025 Q3
Number of apartments	117
Class	Middle

BALTUPIS (Didlaukio St. 53 – stage I, Didlaukio St. 45B – stage II)
A low-rise residential block blending with the natural landscape, featuring buildings of varying shapes, heights, and sizes on hilly terrain. The ground floors will host commercial and service spaces. Surrounded by green areas, including parks, forests, and water bodies, Jomantas Park is just across the street. The development offers 1- to 4-room apartments, including lofts with high ceilings, penthouses with rooftop terraces, and townhouses with private entrances.

Vystytojas	**Realco**
Architect	„Unitectus“, „SP architektų grupė“ and „Trys A. M.“
Start	2024 Q3 (stage I), 2024 Q4 (stage II)
Finish	2025 – 2026
Number of apartments	154 (stage I), 191 (stage II)
Class	Middle

SENAMIESČIO LINK BY CITUS (Panevėžio St. 20, Vilnius)
A 15-minute walk to the Old Town. A++ energy efficiency class, recuperative ventilation system, underfloor heating, and other high-quality solutions. Construction began before sales started and will proceed in one phase. A quiet traffic street and infrastructure for active leisure and extreme sports are planned nearby. A rooftop observation and relaxation terrace will be built.

Developer	Citus
Architect	2 Bricks
Start	2024 Q3
Finish	2026 Q1
Number of apartments	45
Class	Middle

There are fewer new projects in **Kaunas** compared to Vilnius. We have recorded only 2 completely new projects and the start of a new phase for 1 project.

ŠILAINIŲ NAMAI (Naujakurių St. 116 ir 118, Kaunas)
A low-rise apartment project consisting of two A++ energy class buildings. The apartments, ranging from 51-64 sq.m, include 3-room units with balconies and/or terraces. Located 8 minutes from Kaunas Old Town, 6 minutes from the A1 highway, and 6 minutes from Lampėdžiai Beach.

Developer	Stadena
Architect	A3 studija
Start	2024 Q4
Finish	2025 Q4
Number of apartments	33
Class	Middle

NEMUNAIČIAI stage II, residential project „Pasaka“ (H. ir O. Minkovskių St. 41B, Kaunas)
The project is located on the left bank of the Nemunas River. 50% of the apartments feature terraces, balconies, and loggias with views of the river. Apartments range from 27 to 80 sq.m, with options to combine or create custom layouts. The project includes pedestrian paths leading to the river and a 500-meter-long "Nemunaičiai" promenade along the riverbank.

Developer	SBA Urban
Architect	„Gensler“ and „Kančo studija“
Start	2024 Q3
Finish	2026 Q1
Number of apartments	95
Class	Middle

ŠIAURIO NAMAI (Ukmergės St. 18a, Kaunas)

New A++ energy class apartments in the Eiguliai neighborhood. The project offers a wide selection of apartments in various sizes.

Developer	**MB Dagro statyba**
Architect	Skiltus
Start	2024 Q3
Finish	2025 Q3
Number of apartments	60
Class	Middle

In the second half of 2024, real estate developers introduced only a few new residential projects on the Lithuanian seaside. In the Klaipėda region, "Arimų žiedas" stage II has begun, while in Neringa, the "Pilkopės" reconstruction has been completed.

ARIMŲ ŽIEDAS (Arimų St. 19A, Klaipėda)

A brick A++ energy class building with low-rise construction (3 floors). All 2-3 room apartments have balconies, and ground floor apartments feature terraces. Solar panels are installed on the roof. The project includes only 2 buildings, with the construction of the second one starting at the end of 2024.

Developer	**NT ASSETS**
Architects	
Start	2024 Q3
Finish	2025 Q2
Number of apartments	27
Class	Middle

PILKOPĖ (recontruction, Vilų St. 14, Juodkrantė)

Reconstructed vacation homes in Juodkrantė, originally built in 1978 based on the design by architect Jurgis Algimantas Zaviša. The apartments are sold with full finishes. The 5-story building includes 20 apartments, ranging from 34 sq.m. to 85 sq.m. The original stained glass windows have been preserved.

Developer	**Juodkrantis**
Architect	Laimos ir Ginto projektai
Start	2023 Q1
Finish	2024 Q4
Number of apartments	20
Class	Luxury

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CITYNOW

CityNow is a tool for tracking new real estate projects. Upcoming and currently developed projects are displayed in the interactive map together with the most important information about the projects. Currently, a database of over 2,500 residential projects is available for projects in the major cities of Lithuania, Latvia, Estonia and Poland.

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