

Consumer market study on the functioning of the real estate services for consumers in the European Union

Country fiche – LITHUANIA

General information

Country	Lithuania
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Main Sources Used	Books, articles, Laws of the Parliament, Resolutions of the Government, Orders of the Ministers, internet sources

1. Regulatory background

1.1 Level of regulation in the country

Table 1: Level of regulation

	Level of regulation	Source of relevant legislation	Ongoing discussion on regulation/deregulation (if applicable): current state of affairs and main arguments in the debate
Real estate transactions ¹	Partly regulated. It should be noted that the level of regulation of real estate transactions is stricter than the level of regulation of dwelling rent. However, in principle only registration, formality checks and identity questions are regulated in the Republic of Lithuania.	<p>The main legislation regulating real estate transactions is the Civil Code of the Republic of Lithuania.</p> <p>For real estate laws and policies, national levels of government are responsible.</p> <p><u>The Parliament of Lithuania</u> has legislative right – this institution legislates real estate transactions laws.</p> <p><u>The Government of Lithuania</u> implements laws and resolutions of the Parliament concerning the implementation of laws, submits laws projects to the Parliament.</p> <p><u>The Ministry of Social Security and Labour</u>² shall carry out state governance functions in the areas of social security and labour assigned to it by laws. It carries out the questions of the housing support. It's Department of housing support ensures policies, regulation and development of public support for housing and rent; analyses the State support for housing and rent policies and provide the Government proposals for policy development; coordinates state support for housing or rental policies in the municipalities.</p> <p><u>The Ministry of Finance</u>³ controls Financial services, which refer to banking, credit, insurance, investment, payment, and similar</p>	n/a

¹ E.g. limitations or prohibitions of certain transactions; specific formality requirements etc.

² <<http://www.socmin.lt/index.php?-1634416817>> (last visited 5 Jun. 2017).

³ <<http://www.finmin.lt/web/finmin/home>> (last visited 5 Jun. 2017).

Table 1: Level of regulation

		<p>services, relevant for the real estate transactions, housing policies.</p> <p><u>The Ministry of Environment</u>⁴ forms public policy and supervision of the construction, housing and organizes, coordinates and supervises its implementation; aims to create favourable conditions for the country's residents to purchase housing; prepares draft legislation, planning documents of architecture and urban planning, construction and maintenance, housing issues, or participate in its development, organizes, coordinates and controls the planning document's implementation; exercises in range of its competence the housing strategy and program implementation arrangements, housing strategy's and program implementation's monitoring; prepares for the Government proposals for support for housing.</p> <p><u>The Ministry of Justice</u> prepares the draft legislation of real estate transactions.</p> <p><u>The Ministry of the Interior of Lithuania</u>⁵ is responsible for regional development legislation⁶.</p>	
<p>Notary system (or lawyer/conveyancer system)⁷</p>	<p>Strictly regulated</p>	<p>Law on the Notariate⁸</p>	<p>The Law on the Notariat of the Republic of Lithuania came into force on 1 December 1992. The Law was the basis to commence reforming the notariat in Lithuania.</p> <p>On 11 February 1994, the Lithuanian notariat was admitted to the International Union of Notaries (UINL).</p>

⁴<<http://www.am.lt/vl/index.php#r/115>> (last visited 5 Jun. 2017).

⁵<<http://www.vrm.lt/nrp/index.php?id=2444>> (last visited 1 Jun. 2017).

⁶The Law on Regional Development of the Republic of Lithuania (amended and supplemented). Official Journal, 2000, No. 66-1987.

⁷ Only in countries where notaries do not exist or do not have a monopoly on conveyancing.

⁸<<http://www.notarurumai.lt/index.php/en/legal-acts>> (last visited 1 Jun. 2017).

Table 1: Level of regulation

			On 1 May 2004, the Lithuanian notariat acceded to the Council of the Notariats of the European Union (CNUE) ⁹ .
Profession of estate agents	Partly regulated	Civil code of the Republic of Lithuania The amount and limit of the estate agents' commissions are not established in any laws of the Republic of Lithuania. It should be noted that some real estate agencies have their own ethic codes, which include some provisions about limitations of the commission.	In the Republic of Lithuania, real estate agents are considered as members of the "liberal profession", i. e. the State Tax Inspectorate explained that real estate agents are responsible and professionally independent and shall provide intelligent services to customers and the public. The main discussion regarding the profession of estate agents is due to the non-regulation of the practice of real estate agents. It should be noted that in the Republic of Lithuania several times there were attempts to adopt laws concerning the profession of real estate agents; however, no such law has hitherto been adopted. This aspect may be regarded as a regulatory gap that may result in legal uncertainty in the market, since practically anyone can exercise the profession of real estate agent.

⁹<<http://www.notarurumai.lt/index.php/en/chamber-of-notaries>> (last visited 5 Jun. 2017).

1.2 National legislation

Table 2: List of national legislation

List of national legislation	Classification of national legislation	Content of the national legislation
The Constitution of the Republic of Lithuania	It is applicable to owners, consumers, business transactions	The Constitution of the Republic of Lithuania establishes the main rights of people.
The 18th of July 2000 Civil Code of the Republic of Lithuania	It is applicable to the legal relationships of the real estate transactions, to consumers	The Civil Code regulates the legal relationships of the real estate transactions: form, content, term of the real estate transactions contracts, duties and rights of the contracts parties.
The 25th of July 1991 Law No. I-1607 of the Republic of Lithuania "On Land Reform"	It is applicable to land owners	This Law regulates land ownership relations and the goal of land reform ¹⁰ . The goal of land reform is to implement the right of Lithuanian citizens to land ownership by returning the expropriated land in accordance with the procedures and terms established by law and by buying land, as well as to create legal, organizational, and economic preconditions for the development of agricultural production by freely chosen forms of farming.
The 24th of September 1996 Law No. I-1539 of the Republic of Lithuania "On Real Estate Register"	It is applicable to the owners of real estate	The legislation regulates the legal registration of land, buildings, structures and other real property (hereinafter referred to as "real property"), the status of the Real Property Register of the Republic of Lithuania (hereinafter referred to as "the Real Property Register"), the establishment of this register, its record-keeping, reorganisation and liquidation, the rights, duties and liability of the institutions managing the Real Property Register.
The 19th of March 1996 Law No. I-1240 of the Republic of Lithuania "On Construction"	It is applicable to contractors, builders	This Law establishes the essential requirements for all construction works which are built, reconstructed and repaired within the territory of the Republic of Lithuania, the procedure for technical regulation of construction, construction investigation, design of construction works, construction, reconstruction, repair of new construction works, acceptance of them as fit for use, utilisation and maintenance, demolition of construction works, as well as the procedure of supervision over the above activities, the principles of activities of the participants in the construction, public administration entities, owners (or users) of engineering and utility networks and traffic routes, other legal and natural persons in this field.

¹⁰ See: <http://www.litlex.lt/litlex/eng/frames/laws/Documents/72.HTM>

Table 2: List of national legislation

<p>The 26th of April 1994 Law No. I-446 of the Republic of Lithuania "On Land"</p>	<p>It is applicable to land owners</p>	<p>This Law regulates the relations of land ownership, management and use, as well as land administration in the Republic of Lithuania, its special economic area and the continental shelf of the Baltic Sea. For the purpose of implementing the land use planning and administration policy, land relations shall be regulated in such manner as to create the conditions for satisfying the needs of the population, natural and legal persons to rationally use the land and engage in economic activities maintaining and improving the natural environment, natural and cultural heritage, and to protect the rights of ownership, management and use of land.</p>
<p>The 22th of December 1994 Law No. I-733 of the Republic of Lithuania "On Protection of Immovable Cultural Valuables"</p>	<p>It is applicable to land owners.</p>	<p>This Law shall: 1) Implement the provisions of the Constitution of the Republic of Lithuania, the Law on Treaties and the Law on the Basics of National Security in the field of the protection of immovable cultural heritage; 2) Lay down the legal grounds for the accounting, safeguarding and maintenance of immovable cultural heritage situated in the territory of the Republic of Lithuania, for the supervision of compliance with the heritage protection requirements set by this Law and other legal acts and for the monitoring of the condition of objects of cultural heritage; 3) Protect intangible cultural heritage by establishing the protection of the places and other immovable items associated therewith. The immovable cultural heritage, which is of importance to Lithuania and is situated in other states, shall be protected under treaties and laws of the foreign states.</p>
<p>The 12th of December 1995 Law No. I-1120 of the Republic of Lithuania "On Planning of Territories"</p>	<p>It is applicable to consumers, to the regulation of professions, to real estate transactions.</p>	<p>This Law regulates territorial planning of the territory of the Republic of Lithuania, its continental shelf and exclusive economic zone in the Baltic Sea and establish the rights and duties of persons involved in the process. The objective of this Law shall be to ensure sustainable territorial development and rational urbanisation by establishing requirements for systematic solutions in the process of territorial planning and compatibility and interaction between different levels of documents, to facilitate the sustainable natural and anthropogenic environment and the quality of urban development by preserving valuable landscape, biodiversity and natural and cultural heritage values.</p>

Table 2: List of national legislation

The 1st of July 1997 Law No. VIII-359 of the Republic of Lithuania "On Restoration of Citizens' Ownership Rights to Existing Real Estate"	It is applicable to consumers, to real estate transactions.	This Law regulates the procedure and conditions of the restoration as well as the recognition of continuity of the restoration of the rights of ownership to the citizens of the Republic of Lithuania to the real property which was nationalised under the laws of the USSR (Lithuanian SSR), or which was otherwise unlawfully made public. This law regulates the restoration of the rights of ownership whereof has been initiated according to the Law of the Republic of Lithuania on the Procedure and Conditions of Restoration of the Rights of Ownership to the Existing Real Property, while evaluating the established objective public economic relations ¹¹ .
The 1st of December 1992 Law on the Notariat of the Republic of Lithuania	It is applicable to notaries	This Law regulates the rights, duties, responsibility of notaries.
The 10th of November 2016 Law on Credit related to Real Estate	It is applicable to credit related to real estate (to banks, consumers).	This law determines the conditions for granting credit related to immovable property and informs about the requirements of these conditions, the duties and responsibility of the lender, credit intermediary and inter-lending platform operator in carrying out the activities provided for in this Law.
The 21st of December 2007 Law on Prohibition of Unfair Business-to-Consumer Commercial Practices	It is applicable to commercial practices before, during and after entering into a transaction in relation to a product with a view to protecting the economic interests of consumers.	This Law shall impose prohibition on unfair business-to-consumer commercial practices and establish the types and cases of unfair commercial practices, as well as institutions responsible for supervision of compliance with the provisions of this Law and liability for infringements of this Law.

It should be noted that this is a list of only main national legislation. The list of other relevant national legislation is provided below:

Laws of the Parliament:

1. The Law on the protection of the consumers' rights of the Republic of Lithuania (amended and supplemented). Official Journal, 1994, No. 94-1833.
2. The Law on the construction of the Republic of Lithuania (amended and supplemented). Official Journal, 1996, No. 32-788.
3. The Law on the Lithuanian state support for housing purchase or lease and apartment buildings renovation (modernization) of the Republic of Lithuania (amended and supplemented). Official Journal, 2002, No. 116-5188.
4. The Law on prohibition of the unfaithful commercial practice with costumers of the Republic of Lithuania (amended and supplemented). Official Journal, 2008, No. 6 -212.
5. The Law on the bankruptcy of natural persons of the Republic of Lithuania (amended and supplemented). Official Journal, 2012, No. 57-2823.
6. The Law on the privatization of apartments of the Republic of Lithuania (amended and supplemented). Government Journal, 1991, No. 17-449.

¹¹ See: <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/a93ca1f048ae11e4ba2fc5e712e90cd4?jfwid=5sjolg0fi>

7. The Law on Initial Privatization of State Property of the Republic of Lithuania (amended and supplemented). Government Journal, 1991, No. 10-261.
8. The Law on the procedure and the rules of the restoration of the citizens' property rights to real property of the Republic of Lithuania (amended and supplemented). Government Journal, 1991, No. 21-545.
9. The Law on the Land Tax of the Republic of Lithuania (amended and supplemented). Government Journal, 1992, No. 21-612.
10. The Law on the Place's Self-government of the Republic of Lithuania (amended and supplemented). Government Journal, 1994, No. 55-1049.
11. The Law on the Partnership of the owners of blocks of flats and on Partnership of other purposes buildings owners of the Republic of Lithuania (amended and supplemented). Official Journal, 1995, No. 20-449.
12. The Law on the construction of the Republic of Lithuania (amended and supplemented). Official Journal, 1996, No. 32-788.
13. The Law on the Profit Tax of the Republic of Lithuania (amended and supplemented). Official Journal, 2001, No. 110-3992.
14. The Law on the Personal Income Tax of the Republic of Lithuania (amended and supplemented). Official Journal, 2002, No. 73-3085.
15. The Law on the Lithuanian state support for housing purchase or lease and apartment buildings renovation (modernization) of the Republic of Lithuania (amended and supplemented). Official Journal, 2002, No. 116-5188.
16. The Law on the Inheritance Tax of the Republic of Lithuania (amended and supplemented). Official Journal, 2002, No. 123-5531.
17. The Law on the Value added Tax of the Republic of Lithuania (amended and supplemented). Official Journal, 2002, No. 35-1271
18. The Law on the Real Property Tax of the Republic of Lithuania (amended and supplemented). Official Journal, 2005, No. 76-2741.

Resolutions of the Government:

1. The Resolution No. 1162 of the Government of the Republic of Lithuania on the approval of the Description of the procedure of the provision of State supported housing credits (23 October 1997). Official Journal, 1997, No. 97-2458.
2. The Resolution No. 739 of the Government of the Republic of Lithuania on the approval of the Company for Housing mortgage Insurance (18 June 1998). Official Journal, 1998, No. 57-1603.
3. The Resolution No. 475 of the Government of the Republic of Lithuania on the approval of State's and Municipalities dwelling's rent payment's calculation (25 April 2001). Official Journal, 2011, No. 105-4915.
4. The Resolution No. 309 of the Government of the Republic of Lithuania on the procedures of the apartment's privatization, sale and use (31 July 1991). Official Journal, 1991, No. 28-765
5. The Resolution No. 280 of the Government of the Republic of Lithuania on the approval of residential home construction community and residential building maintenance community model articles of association (23 April 1993). Government Journal, 1993, No. 14-369.
6. The Resolution No. 1162 of the Government of the Republic of Lithuania on the approval of the Description of the procedure of the provision of State supported housing credits (23 October 1997). Official Journal, 1997, No. 97-2458.
7. The Resolution No. 739 of the Government of the Republic of Lithuania on the approval of the Company for Housing mortgage Insurance (18 June 1998). Official Journal, 1998, No. 57-1603.
8. The Resolution No. 1797 of the Government of the Republic of Lithuania on the issuance of business licenses (19 November 2002). Official Journal, 2002, Nr. 112-4992.
9. The Resolution No. 634 by the Government of the Republic of Lithuania on the rules of the derelict, seized, deceased assets transmission and accounting (26 May 2004). Official Journal, 2004, No. 86-3119.

Orders of the ministers

1. The Order No. D1-449 of the Minister of Environment of the Republic of Lithuania on the approval of the registration procedures of the buildings without owners (16 September 2005). Official Journal, 2005, No. 113 -4143.

1.3 Implementation of relevant EU legislation

Table 3: Implementation of relevant EU legislation

EU legislation	Implementation achieved?	Implementation of EU legislation at the national level (e.g. the name of the law)	Source of the national implementation legislation	Content of the national legislation in keywords	Which parts of the EU legislation have <u>not</u> been transposed?
Directive 2005/29/EC on unfair commercial practices (UCPD)	Yes	The 21 December 2007 Law No X-1409 of the Republic of Lithuania "On The prohibition of unfair business to consumer commercial practices"	See footnote ¹²	<p>1. This Law shall impose prohibition on unfair business-to-consumer commercial practices and establish the types and cases of unfair commercial practices, as well as institutions responsible for supervision of compliance with the provisions of this Law and liability for infringements of this Law.</p> <p>2. This Law shall apply to commercial practices before, during and after entering into a transaction in relation to a product with a view to protecting the economic interests of consumers.</p>	None. The Republic of Lithuania adopted a new law in which the Directive 2005/29/EC was transposed almost literally.

¹² <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/a3a2a1f0814111e59a1ed226d1cbceb5?jfwid=bnp209gqk&buildNumber=1476094870097>

Table 3: Implementation of relevant EU legislation

Directive 93/13/EEC on unfair terms in consumer contracts	Yes	Article 6.2281, 6.2283, 6.2284, 6.2285, 6.2286, 6.2287, 6.2289, 6.22810, 6.22811 and 6.22812 of the Civil code of the Republic of Lithuania	See footnote ¹³	Same as in the Directive	Lithuania implementing the directive 93/13/EEC into the Civil code, has not transposed several provisions that are important to the protection of the consumers – The requirement of good faith and the requirement that written contract terms should be put in plain and intelligible language. On the other side, the black list of unfair terms in the article 6.188 of the Civil code includes a higher number of unfair terms than the grey list put in the annex of the directive 93/13/EEC.
Directive 2008/122/EC on the protection of consumers, in respect of certain aspects of timeshare, long-term holiday product, resale and exchange contracts	Yes	Article 6.369, 6.370 of Civil code of the Republic of Lithuania	See footnote ¹⁴	Provisions of the Articles 6.369 and 6.370 of the Civil code on the purchase of a right to use the accommodations for a certain period of time are being replaced by the provisions concerning the i) timeshare, ii) long-term holiday product, iii) resale or exchange contracts and iv) the right to withdraw from such contracts. Thus the contracts on the right to temporarily use the accommodations are being classified into four types, each being regulated by specific rules.	None. Full transposition.

¹³ <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.245495>¹⁴ <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.245495>

Table 3: Implementation of relevant EU legislation

Directive 2010/31/EU of Energy Performance of Buildings Directive	Yes	Article 431 of the 19 March 1996 Law No. I-1240 of the Republic of Lithuania "On Construction";	Footnote ¹⁵	Same as in the Directive	None. Full transposition.
Directive 2005/36/EC on Recognition of Professional Qualifications, as last amended by Directive 2013/55/EU	Yes	Law on the Recognition of Regulated Professional Qualifications	Footnote ¹⁶	This Law shall establish the principles and mechanisms for the recognition of professional qualifications of nationals of Member States of the European Union (hereinafter referred to as the EU), nationals of countries of the European Economic Area (hereinafter referred to as the EEA) and nationals of the Swiss Confederation obtained in the EU, EEA and Swiss Confederation. Administrative cooperation shall safeguard that persons who obtained professional qualifications in another Member State shall have the same rights as nationals of the Republic of Lithuania to pursue, on either a self-employed or employed basis, a regulated profession in the Republic of Lithuania.	None. Full transposition.
Mortgage Credit Directive, 2014/17/EC	Yes	Law on Credit related to Real Estate	Footnote ¹⁷	Same as the Directive	None. Full transposition.

¹⁵ <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.312477?jfwid=q86m1vqmd>

¹⁶ <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.342511?jfwid=-brx0ubvsv>

¹⁷ <https://www.e-tar.lt/portal/lt/legalAct/ea8fee50ac9311e6b844f0f29024f5ac>

1.4 Communications and strategy papers

Table 4: Communications and strategy papers

Communication or strategy paper	Have the following communications and strategy papers been referred to in national documents?	Name of document	Source	Content	Differences with respect to communications and strategy papers listed in the first column
COM(2015) 550 final Communication of the Commission Upgrading the Single Market: more opportunities for people and business	No				
COM(2013)676 Communication from the Commission on evaluating national regulations on access to professions	No				
COM(2016)820 Communication from the Commission on reform recommendations for regulation in professional services	No				

Table 4: Communications and strategy papers

European Consumer Agenda	Yes	18 March 2015 Resolution of the Government of the Republic of Lithuania No 281 on Approval of the state consumer protection strategy for 2015-2018	See footnote ¹⁸	It is implementing the main ideas of the EC document in the national level. The Resolution for 4 main tasks of the consumer protection policy: improving consumer safety; raising consumer awareness; better implementation, enforcement, and compensation for the damage; adjusting consumer rights and main policies to economic and social change.	None
Consumer Programme 2014-2020	Yes	18 March 2015 Resolution of the Government of the Republic of Lithuania No 281 on Approval of the state consumer protection strategy for 2015-2018	See footnote ¹⁹	It is implementing the main ideas of the EC document. The general goal of the Multiannual Consumer Programme is to implement a strategy of smart, sustainable and inclusive growth, to ensure a high level of consumer protection, to empower consumers and ensure their central role on the internal market. This goal will be achieved by helping to ensure the protection of consumer health, safety, legal and economic interests, to encourage their right to information, education, and the right to be organised for the protection of their interests, to support the inclusion of the interests of such consumers in other policies. The Multiannual Consumer Programme outlines 4 specific goals that will help to achieve a common goal:	None

¹⁸ <https://e-seimas.lrs.lt/portal/legalActPrint/lt?jfwid=1cdz0heovf&documentId=b0e46b117ffa11e6a0f68fd135e6f40c&category=TAD>

¹⁹ See: <https://e-seimas.lrs.lt/portal/legalActPrint/lt?jfwid=1cdz0heovf&documentId=b0e46b117ffa11e6a0f68fd135e6f40c&category=TAD>

Table 4: Communications and strategy papers

				<p>1) safety: to support and increase the safety of products by carrying out effective market surveillance throughout the EU; 2) consumer information and education as well as support of consumer organisations: to improve consumer education, information and awareness of their rights, to develop the evidence base for consumer policy and to provide support to consumer organisations according to the needs of most vulnerable consumers;</p> <p>3) rights and protection of rights: to develop and strengthen the rights of consumers, in particular by carrying out smart regulatory activity and improving the opportunities of using simple, effective, fast and inexpensive measures of rights protection, including alternative resolution of disputes;</p> <p>4) Enforcement: to support the enforcement of human rights by strengthening the cooperation of national enforcement institutions and by providing advice to consumers.</p>	
Other	Yes	16 March 2011 Resolution of the Government of the Republic of Lithuania No 301 on Approving the Lithuanian Information Society Development Programme 2011-2019	See footnote ²⁰	Information Society Development Programme	Lithuania is implementing Information Society Development Programme

²⁰ See: <https://e-seimas.lrs.lt/rs/legalact/TAD/TAIS.425996/>

2. General market information

2.1 Key market data

Table 5: Key market data

<p>General market situation (e.g. trends in the market, recent developments in the market, price fluctuations, etc.)</p>	<p>The start of 2017 in the Lithuanian residential market can be characterised by a steady growth. Nearly all the main indicators show that the market in the major cities of the country remains particularly active. In addition to the most active market of the Vilnius region, after a longer break, the market in Kaunas is showing high activity levels. The volume of sales and supply of new apartments in Kaunas has finally reached the stage of faster growth.</p> <p>According to the State Enterprise Centre of Registers, in Q1 2017, 9% more purchase and sale transactions of houses and apartments were concluded in Lithuania than in the same period in 2016. In Q1 2017, an average of 680 transactions for houses and 2, 590 transactions for apartments were concluded each month in Lithuania. Since 2007, only Q1 2014 saw better results. The number of transactions of apartments was 5% smaller than in the same period in 2014, but the number of transactions of houses was the same as in 2014. In Q1 2017, different activity trends were recorded in the residential market of major cities of the country. The largest change in the number of transactions of apartments was recorded in Klaipėda (the number of transactions increased by 15% compared to Q1 2016) and the smallest change was recorded in Panevėžys (the same number of apartments was purchased as in 2016). The number of transactions of houses grew fastest in Klaipėda and Klaipėda District (57 % compared to Q1 2016), while in Šiauliai and Panevėžys cities and districts a drop of 4% and 6% respectively in the number of transactions of houses was recorded (more information – https://www.oberhaus.lt/wp-content/uploads/OH-Lithuania-Residential-Q1-2017.pdf).</p>
<p>Total value of residential transactions for buying and renting for the year 2015 (2014 or 2013 depending on the latest available data) expressed in EUR</p>	<p>Total value of residential transactions in 2015 amounted to 1.273 billion EUR</p> <p>https://www.15min.lt/verslas/naujiena/kvadratinis-metras/nekilnojamas-turtas/registru-centras-lietuvos-busto-rinkos-apyvarta-pernai-sieke-1-27-mlrd-euru-973-741900</p> <p>Information on the number of residential transactions for year 2015 distinguished between buying and renting transactions is not available.</p>
<p>Ratio house owners – tenants (i.e. the percentage of households that are owners resp. tenants of dwelling units)</p>	<p>According to Eurostat, 89,9 % Lithuanians live in their own homes Meanwhile, only 10,1 % of Lithuanians live in a rented house http://ec.europa.eu/eurostat/documents/2995521/7086099/3-23112015-AP-EN.pdf/a3cba175-0776-4063-86d4-c475b1c7454c.</p>

Table 5: Key market data

Usage of land (Quotas for built land, agricultural land, "wild land")	<p>In 2016, Residential dwelling stock amounted to 95.8 million m² of useful floor area (https://osp.stat.gov.lt/documents/10180/3329771/Gyvenamasis_fondas.pdf).</p> <p>Land use: agricultural land: 44.8% (arable land 34.9%; permanent crops 0.5%; permanent pasture 9.4%) forest: 34.6% other: 20.6% (http://www.indexmundi.com/lithuania/land_use.html http://www.theodora.com/wfbcurrent/lithuania/lithuania_geography.html https://www.cia.gov/library/publications/the-world-factbook/fields/print_2097.html)</p>	
Average prices of residential property	<p><i>According to the type of property</i></p> <ul style="list-style-type: none"> • Average flat of ca. 70 sqm • Terrace house of ca. 100 sqm • Detached (one family house) of ca. 150 sqm 	<p>Average price of flat of ca. 70 sqm:</p> <ul style="list-style-type: none"> - In Vilnius ~100 450 €, - In Kaunas ~69 500 €, - In Klaipėda ~71 300 - In Šiauliai/Panevėžys~42 000 € <p>Semi-detached house of ca. 100 sqm</p> <ul style="list-style-type: none"> - Prices for semi-detached houses (100-125 sqm with land plots of 300–400 sqm) range from €90,000 to €120,000. Full final fit out generally costs €150 per sqm or more. <p>Detached house:</p> <ul style="list-style-type: none"> - In 2014, the prices of detached and semi-detached houses in the city of Vilnius and in the immediate Vilnius surroundings have increased by 5%. - Detached houses (150-200 sqm with land plots of 600–1,000 sqm) located in a new housing areas with full infrastructure in Vilnius district or near city, limits (typically 10–20 km from the city centre) are sold as shell at prices ranging from €100,000 to €160,000. The price for fully finished 150-200 sqm sized detached house within the city limits (city residential districts) averages between €170,000 and €300,000, and from €250,000 to €580,000 in the city's more prestigious neighbourhoods where a considerable share of the house price is represented by the high price of land in these districts (more information - http://www.liaa.gov.lv/files/liaa/attachments/oberhaus-market-report-baltic-states-2015.pdf)
	<p><i>According to the type of location:</i></p> <ul style="list-style-type: none"> • Capital city • Urban areas • Rural areas 	<p>Capital City:</p> <ul style="list-style-type: none"> - In Vilnius average apartment prices rose by 6.8% y-o-y in Q1 2017, to €1,435 per square metre (sq. m.). <p>Urban areas:</p> <ul style="list-style-type: none"> - In Kaunas, apartment prices rose by 4.5%, to €993 per sqm. In Klaipėda, apartment prices increased 2.9%, to an average of €1,019 per sqm. <p>Rural areas:</p> <ul style="list-style-type: none"> - In Šiauliai, apartment prices increased 5.2%, to an average of €601 per sqm. In Panevėžys, existing flats rose by 4.7%, to an average of €562 per sqm.

Table 5: Key market data

<p>Price development of residential property</p>	<p><i>According to the type of property</i></p> <ul style="list-style-type: none"> • <i>Average flat of ca. 70 sqm</i> • <i>Terrace house of ca. 100 sqm</i> • <i>Detached (one family house) of ca. 150 sqm</i> 	<p>Average flat of ca. 45-50 sqm Prices for new construction apartments in residential districts in the end of 2016 ranged from €980 to €1,700 per sqm without final fit-out.</p> <p>In Lithuania, new apartments are generally sold shell, which is without any fit-out at all. Apartments sold shell require average of €200 – €300 per sqm to fit-out with floors, painting, lights, bathrooms and kitchen. By the end of 2016, a standard two-room apartment (45-50 sqm) in a Soviet era concrete block building located in a residential district cost from €47,000 to €58,000. Prices of apartments that are in old brick buildings are 10-20% higher. The lowest price for old construction non-renovated apartments in Vilnius residential districts is €780 per sqm. In the city centre and Old Town, secondary market apartment prices range from €1,100 to €2,000 per sqm for non-renovated and from €1,550 to €3,500 per sqm for renovated apartments. Prices of new construction apartments are now offered for €1,700 to €3,500 per sqm without final fit-out. Prices of new apartments in exceptional projects can exceed €4,000 per sqm. In prestigious districts (Antakalnis, Naujamiestis, Zverynas), old apartment prices range from €1,000 to €2,500 per sqm. Prices of newly built apartments range from €1,450 to €2,800 per sqm without final fit-out.</p> <p>Terrace house of ca. 100 sqm and Prices for semi-detached houses (100-125 sqm with land plots of 250–400 sqm) range from €95,000 to €125,000. Full final fit out generally costs €175 – €225 per sqm or more. The price for fully finished 150-200 sqm sized detached house within the city limits (city residential districts) averages between €170,000 and €390,000, and from €240,000 to €600,000 in the city's more prestigious neighbourhoods where a considerable share of the house price is represented by the high price of land in these districts. Houses with a greater area and in the most prestigious locations of the city are offered for as much as €1,000,000 – €2,000,000.</p> <p>Detached (one family house) of ca. 150 sqm In 2016, the prices of detached and semi-detached houses in the city of Vilnius and in the immediate Vilnius surroundings have increased by 6%. Detached houses (150-200 sqm with land plots of 600–1,000 sqm) located in a new housing areas with full infrastructure in Vilnius district or near city limits (typically 10–20 km from the city centre) are sold as shell at prices ranging from €110,000 to €165,000.</p>
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Table 5: Key market data

	<p><i>According to the type of location:</i></p> <ul style="list-style-type: none"> • <i>Capital city</i> • <i>Urban areas</i> • <i>Rural areas</i> 	<p>Capital city:</p> <ul style="list-style-type: none"> - In Vilnius, apartment purchase-sale transactions rose by 13% y-o-y in 2016 while house sales fell by 9%. <p>Urban areas:</p> <ul style="list-style-type: none"> - In Kaunas, transactions for apartments and houses increased by both 10% y-o-y in 2016. - In Klaipėda, apartment transactions rose by 10% while house sales fell by 5%. <p>Rural areas:</p> <ul style="list-style-type: none"> - In Šiauliai, apartment sales rose by 9% and house sales soared 28% over the same period. - In Panevėžys, apartment sales increased slightly by 1% while house sales surged by 34%.
<p>Development of price index (Housing price index if existing, otherwise Consumer price index)</p>	<p>Consumer price index – 112.90 (90 (https://tradingeconomics.com/lithuania/consumer-price-index-cpi)).</p> <p>In February 2017, the consumer price index for all items increased to 102.49 points in comparison with the previous month.</p>	

2.2 Service providers

Table 6: Service providers

	Total number of firms	Total number of professionals	Total number of employees	Branch offices per firm	Market concentration in % of turnover	Average turnover per firm (expressed in EUR)
Estate agents	28	750	~ 958	N/A	N/A	N/A
Lawyer/Advocates/ Solicitor	1132	2130 advocates and 868 associates (total 2998)	N/A	N/A	N/A	N/A
Notary	226	263	N/A	N/A	N/A	N/A
Licenced conveyancers	Not existing in Lithuania					
Architects	277	2027	N/A	N/A	N/A	N/A
Surveyor	N/A	N/A	N/A	N/A	N/A	N/A
Engineers	N/A	N/A	N/A	N/A	N/A	N/A
Other relevant service provider	N/A	N/A	N/A	N/A	N/A	N/A

There are 263 notaries working in Lithuania. Notaries join together in the Chamber of Notaries. Major objectives of the Chamber of Notaries: i) to exercise the self-governance of notaries; ii) To coordinate the activities of notaries; iii) To take care of the legal culture and professional development of notaries; iv) To make the notarial practice more uniform; v) To draft regulatory legal acts related to the notariat and submit them to the Ministry of Justice of the Republic of Lithuania; vi) To inform the public about the functions carried out by notaries.

The Chamber of Notaries follows the Statute of the Chamber of Notaries in their activities. Bodies of the Chamber of Notaries: i) Assembly of members of the Chamber of Notaries; ii) Presidium of the Chamber of Notaries; iii) President of the Chamber of Notaries; iv) Vice-President of the Chamber of Notaries; v) Court of Honour of Notaries; vi) Audit Commission of the Chamber of Notaries.

The managing bodies of the Chamber of Notaries are the Presidium and the President.

3. Roles of professionals and services in the real estate market

Table 7: Role of professionals in the real estate market					
	Estate agent	Property valuator²¹	Lawyer/Advocate/Solicitor	Notary	Bank
Main function: does the professional typically work independently or as part of a firm or another organisation?	Professional typically work as part of a firm	Professional typically work as part of a firm	Both	Professional typically work independently	N/A
Extent of engagement (at which point(s) does each professional intervene in the process?)	<ul style="list-style-type: none"> - Provide guidance and assist sellers and buyers in marketing and purchasing property for the right price under the best terms; - Determine clients' needs and financials abilities to propose solutions that suit them; - Intermediate negotiation processes, provide advice to clients on market conditions, prices, mortgages, legal requirements and related matters, ensuring a fair and honest dealing; 	The main role of the valuator is to inform people about the right price of the property.	Lawyers offer legal advice on property management, zoning violations, restrictions and covenants on real estate, property taxes, and value estimates. They help resolve disputes over encroachment, trespass, injuries, and boundaries. Lawyers help clients to make estate transactions and deal with different problems. These include tenants in residence, proof of title, immovable structures, and illegal additions or units. Immovable structures include minerals, bushes, trees, and buildings.	It should be noted, that the notaries before clarifying the real estate transaction, verify whether the property belongs to the seller, or the property is not pledged and seized. Before preparing the documents, the notaries clarify the will of the buyer and seller, clarify the meaning and legal consequences of the notary's action they are carrying out, verify and, if they are missing, require all necessary, original official documents.	The main role of bank is lending money for mortgaging real estate

²¹ In some EU countries, the real estate property valuers are regulated as a profession that is separate from estate agents (e.g. Hungary, Lithuania, Latvia); their services might be obligatory, especially when taking mortgage loans.

Table 7: Role of professionals in the real estate market

	<ul style="list-style-type: none"> - Perform comparative market analysis to estimate properties' value; - Display and market real property to possible buyers; - Prepare necessary paperwork (contracts, leases, deeds, closing statements etc.); - Manage property auctions or exchanges; - Maintain and update listings of available properties; - Cooperate with appraisers, escrow companies, attorneys, mortgage lenders and contractors; - Promote sales through advertisements, open houses and listing services. 		<p>Lawyers review and prepare real estate documents, file liens, and draft deeds. They ensure that no liens, easements, and covenants are registered against the real estate property. Attorneys create and register documents on behalf of clients, check for adjustments, modify the terms of contracts and agreements, and negotiate the terms of sales and purchase agreements. To this end, they work with investors, brokers, developers, and other attorneys.</p>		
<p>Mandatory involvement</p>	<p>There is not such obligation like mandatory involvement of estate agent in the process of buying or selling real estate in Lithuania.</p>	<p>When taking a mortgage loan, it is usually required to value a real estate property and deliver a valuation to the bank, so that a mortgage is to be valued and its market value is to be assessed in order to execute the pledge. Knowing it determines the amount of possible credit.</p>	<p>There is not such obligation like mandatory involvement of lawyers in the process of buying or selling real estate in Lithuania. However, when the dispute arises to the court, the services of the advocates (associates) is provided.</p>	<p>When buying and selling real estate, the transaction must be approved by a notary, otherwise the contract is considered invalid.</p>	<p>N/A</p>

Table 7: Role of professionals in the real estate market

<p>How are their fees/charges structured</p>	<p>The fees depend on the nature of the broker's work, his professionalism, experience also on the value of the object and the complexity of sales. Fees are generally expressed as a percentage of the total sales price of the property (for example, 3-5%). Sometimes a specific amount is agreed that does not change if the asset is sold for a price other than the one previously agreed. For lower values, for example if the value of the property is up to 30,000 euros, the commission rate may amount to a dozen percent. Therefore, the real estate agent usually asks for an administrative fee, which is about 100-200 euros.</p>	<p>The fees depends on the size and purpose of the object being evaluated (apartment, garden, plot of land etc.). The fees generally starts from 100 eur and variate to 350 and more euros.</p>	<p>The fees depend on the nature of the work, the professionalism, and experience on the value of the object. It should be noted that usually parties agree an hourly rate which generally starts from 100/150 eur per hour.</p>	<p>The fees of notary are specified in detail in the internet link below– http://www.notarurumai.lt/index.php/en/legal-acts/notary-fees</p>	<p>Bank interests, contract fees</p>
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Technical experts are not usual.

4. Land registration

Table 8: Land registration	
Responsible authority(ies) dealing with land registration	The national property register is called Real Property Cadastre and Register of the State Enterprise Centre of Registers (V. Kudirkos st. 18, LT-03105 Vilnius. Tel: +370 8 5 268 8399, www.registrucentras.lt). The information from the date it is recorded is considered as true and comprehensive unless legally disputed.
Actors involved in the registration procedure and their main functions	According to Article 6.393 of the Civil Code, every agreement on sale-purchase of real estate must be certified by a notary . In order to register the acquired real estate and rights to it, an application must be filed with a respective branch of the State Enterprise of Cadastre and Register of Land and Other Real Estate . Besides, land lease agreements may be invoked against third persons only upon proper registration of such agreement with the Real Estate Register .
Intermediate steps of the registration procedure, if applicable	Not relevant

5. The process to buy or sell a property

5.1 Main steps in the transaction process to buy or sell a property

Table 9: Main steps of the process to buy or sell a property

Main steps	Main function	Applicable	National specificities/additional functions/main actors
Estate agent services	Matching the parties	Yes	Main actors: real estate agency/real estate agent; buyer; seller; property valuator (if needed) Additional functions: property valuation services;
Alternative matching devices	Matching the parties	Yes	Internet links/advertisements (for example www.aruodas.lt www.skelbiu.lt and etc.), newspapers, radio, television
Preliminary contract	Securing the transaction before the final contract is concluded On the date of the signing of the preliminary contract, the buyer may be required to pay a deposit. In such case, the amount should be paid into an escrow account usually held by a notary chosen by the buyer. On the completion day, any remaining amount has to be paid beforehand into the notary escrow account. Then, the notary transfers the purchase price to the seller and pays agent's commissions.	Usual	Main actors: real estate agency/real estate agent; buyer; seller; advocate/lawyers, notary; National specificities: A preliminary contract must be made in writing. A preliminary contract, which fails to meet the required conditions of its form, shall be null and void. In the preliminary contract, the parties shall be obliged to establish a time-limit within which the principal contract must be formed. In the event where such time-limit is not established in the preliminary contract, the principal contract must be formed within one year from the date of the conclusion of the preliminary contract. If after conclusion of the preliminary contract, a party without due grounds avoids or refuses to enter into a principal contract, he shall be bound to compensate to the other party for damages inflicted. In the event where the parties fail to form a principal contract within the time-limit determined in the preliminary contract, the obligation to form that contract shall be extinguished (Article 6.165 of the Civil Code).
Preliminary checks (land register, administrative permits)	Ensuring that the buyer knows all legal obligations and relevant features related to the property	Yes	Main actors: real estate agency/real estate agent; buyer; seller; advocates/lawyers/Centre of registers, notary National specificities: Revision of cadastral and registration data of an immovable item is required.

Drafting the sales contract and/or deed of conveyance	Summarising the agreement of the parties	Yes	Main actors: real estate agency/real estate agent; buyer; seller; advocates/lawyers
Legal advice or counselling	Ensuring that the transaction is valid and that the parties know about their rights and duties	Yes	Main actors: real estate agency/real estate broker; buyer; seller; advocates/lawyers
Certification of signatures	Ensuring the validity of the agreement	Yes	<p>Main actors: buyer, seller, notary.</p> <p>National specificities: When performing notarial acts, a notary shall establish the identity of natural persons, their representatives or representatives of legal persons. When attesting transactions and performing some other notarial acts, the authenticity of the signatures of parties to transactions and other persons requesting to perform notarial acts shall be verified in the cases specified by laws of the Republic of Lithuania. (Article 31 of the Law on Notariate http://www.notarurumai.lt/index.php/en/legal-acts/law-on-the-notariate).</p>
Contract execution (transfer of payment)	Executing the contract (and securing that both parties perform their obligations)	Yes	<p>Main actors: seller, buyer, bank, notary.</p> <p>National specificities: The buyer is bound to pay the price of the things within the time limits fixed in the contract or laws and at the set place. The buyer owes interest on the sale price from the time of delivery of the things or the expiration of the period agreed by the parties, unless the contract or laws provide otherwise. The buyer is also bound to pay any expenses incidental to the deed of purchase and sale. Where the laws establish that the contract of purchase-sale must be concluded in a notarised form and thereafter must be registered in the public register, the buyer is bound to pay the price of purchase into the notary's deposit account at the time of conclusion of the contract, whereas the notary shall transfer the money to the seller following the registration of the contract in the public register, unless a different settlement procedure is provided by the agreement between the parties. Where the buyer has sufficient grounds to believe that due to the seller's fault an action may be brought against him for revendication of the things being sold or restriction of rights thereto, he may suspend payment of the price, unless the seller guarantees possible payment of damages to the buyer.</p> <p>Main actors: bank, notary</p>

Contract execution (transfer of property)	Executing the contract (and securing that both parties perform their obligations)	Yes	<p>National specificities: The title (right of ownership) to the immovable item shall devolve to the buyer from the moment of transfer of the item. In general, a statement of transfer and acceptance signed by the seller and the buyer verifies the transfer and acceptance of the real property. Likewise, the provisions regarding the transfer and acceptance of the immovable item may be inserted in the contract of purchase and sale. In such a case, the item and the title thereto shall transfer to the buyer at the moment of signing the contract.</p>
Registration	Making the transaction visible to third parties and the public	Yes	<p>National specificities: The contract may be used against third parties and have legal implications for them only in case it is registered with the public register in the statutory Procedure.</p>
Taxation (esp. transfer tax)	Creating revenue for the state	Yes	<p>National specificities: Depending on the case a real estate transaction may involve the following taxes: 1) Corporate or personal income tax is imposed on the capital gains from the sale of real estate or interests in entities that own real estate. Its standard rate is 15%, however, the 13% rate of the corporate income tax or 27% personal income tax, as well as full exemption from these taxes may also be applied in particular cases. Capital gains of a foreign entity from sale of real estate are subject to a withholding tax at a rate of 10%. 2) Value added tax (VAT) of 21% is applied only to sale of new buildings (built not later than 24 months ago) and land plots together with new buildings, or land plots developed for construction of new buildings. 3) Notary fee charged for certification of a real estate sale and purchase agreement. It amounts to 0.45% or 0.5% of the value of the transaction, i.e. the price of the real estate agreed by the parties to the agreement. However, in all case the established ceiling of this fee cannot be exceeded irrespective of the type and value of a transaction. 4) Registration fee is applied for legal registration of the ownership of real estate with the Real Estate Register. It mainly depends on the type and average market value of real estate purchased. 5) Transfer tax is approximately about 3 Eur.</p>
Post-transaction controls (if applicable)	Securing that the contract is duly executed	Unusual	-

5.2 Sale contract and transfer of ownership

Table 10: Contract of sale and transfer of ownership

Main steps	Actors involved per intermediate step	Payment details ²²		Typical risks associated to these steps
		Payments expressed : • In EUR as % of total purchase price <u>and</u> • As a fixed amount if available (add if VAT applies)	When is the payment made	
Estate agent services or alternative matching devices	Real estate agents, newspapers, internet, radio. Usual	Usually, real estate agent´s fee is 1.5% to 3.0% of the purchase price, plus 21% VAT.	Usually, the payment is made only after successful purchase of real estate.	Not relevant
Preliminary contract (usual)	Lawyers/advocates, real estate agents. Usual	Payment details (conditions) for services depends on the agreement of the parties and are usually described in it. The payment for lawyers/advocates could vary from 80 Eur to 300 EUR or more, depending on the object of the preliminary contract and other criteria.	Payment details (conditions) for services depends on the agreement of the parties and are usually described in it.	
Preliminary checks (land register, administrative permits)	Real estate agent/Lawyer/Notary Mandatory/ State Enterprise Centre of Registers	Costs for services of estate agents or lawyers depend on a particular agreement; they can be fixed or percentage of the purchase price. Usually there is no particular payment for preliminary checks for real estate agents because it is calculated in the payment expressed above (Usually, real estate agent´s fee is 1.5% to 3.0% of the purchase price, plus 21% VAT). The data revision fee in State Enterprise Centre of Registers starts from 1,45 Eur (Other fees are shown in the link below http://www.registrucentras.lt/p/86)	The payment is made before provision of the services.	
Drafting the sales contract and/or deed of conveyance	Real estate agent/Lawyer/Notary Mandatory	Payment details (conditions) for services depends on the agreement of the parties and are usually described in it. Usually there is no particular payment for preliminary checks for real estate agents because it is calculated in the payment expressed above (Usually, real estate agent´s fee is 1.5% to 3.0% of the purchase price, plus 21% VAT).	Payment details (conditions) for services depends on the agreement of the parties and are usually described in it.	

²² Payment shall be considered as the 'discharge of an obligation by its settlement equal to the monetary value of the debtor's obligation' while fees can be defined as 'a charge for services rendered' (Retrieved from: <http://www.investorwords.com/3634/payment.html>, <http://www.investorwords.com/1922/fee.html>). Payment, therefore, includes both the cost of the service and the fees for the service in question.

Table 10: Contract of sale and transfer of ownership

		<p>The payment for lawyers/advocates could vary from 80 Eur to 300 EUR or more, depending on the object of the contract and other criteria.</p> <p>Notary fees are for the drawing up of a draft transaction 14,48 – 28,96 Eur;</p>		
Legal advice or counselling	<p>Real estate agent/Lawyer, Notary</p> <p>Usual</p>	<p>Payment details (conditions) for services depends on the agreement of the parties and are usually described in it.</p> <p>Usually there is no particular payment for preliminary checks for real estate agents because it is calculated in the payment expressed above (Usually, real estate agent´s fee is 1.5% to 3.0% of the purchase price, plus 21% VAT). For the provision of notary advice From 2,90 – up to 57,92 Eur</p>	<p>Payment details (conditions) for services depends on the agreement of the parties and are usually described in it.</p>	
Certification of signatures	<p>Notary</p> <p>Mandatory</p>	<p>Notary fees: Certification of authenticity of all the data and the signature of each of the following persons: members of managing bodies, members of other bodies, the shareholder, persons having the right to enter into transactions on behalf of a legal person 7,24 Eur</p> <p>For the certification of authenticity of a copy or an extract of a document (per one page), for the certification of authenticity of a signature on a document, for the issue of extracts from the notarial register 0,87 Eur;</p>	<p>The payment is made before provision of the services.</p>	

Table 10: Contract of sale and transfer of ownership

Table 10: Contract of sale and transfer of ownership																								
Contract execution (transfer of payment and registration; transfer of property)	Notary Mandatory	<p>For the certification of an agreement on the transfer of immovables, on the transfer of immovables in payment of a property debt or on the transfer of assets for rent, Notary fees are generally around 0.45% of the property value (but no less than 28,96 Eur and no more than 5 792,40 Eur)</p> <p>Value of property (in €)</p> <table border="0"> <tr> <td></td> <td>Fee (in €)</td> </tr> <tr> <td>Up to €8,688.60</td> <td>1% of the value, but not less than € 14.48</td> </tr> <tr> <td>from € 8,688.61 to € 28,962</td> <td>€ 86.89 + 0.7% of the amount exceeding € 8,688.60</td> </tr> <tr> <td>above € 28,962</td> <td>€ 228.80 +0.5% of amount exceeding € 28,962</td> </tr> </table>		Fee (in €)	Up to €8,688.60	1% of the value, but not less than € 14.48	from € 8,688.61 to € 28,962	€ 86.89 + 0.7% of the amount exceeding € 8,688.60	above € 28,962	€ 228.80 +0.5% of amount exceeding € 28,962	The payment is made before provision of the services.													
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Registration in land register or similar device	State Enterprise Centre of Registers/Real estate agents/lawyers Mandatory	<p>Fees of State Enterprise Centre of Registers</p> <table border="0"> <tr> <td>Market value of Building (in €)</td> <td>Rate (in €)</td> </tr> <tr> <td>Up to €14,481</td> <td>€37.65</td> </tr> <tr> <td>€14,481 - €231,696</td> <td>0.05% on band over €14,481</td> </tr> <tr> <td>€231,696- €868,860</td> <td>0.055% on band over €231,696</td> </tr> <tr> <td>Over €868,860</td> <td>0.05% on all value over €289,620, - maximum of €1,448.10</td> </tr> </table> <p>Market value of Land Plot(in €)</p> <table border="0"> <tr> <td></td> <td>Rate (in €)</td> </tr> <tr> <td>Up to €2,896.20</td> <td>€23.17</td> </tr> <tr> <td>€2,896.20- €28,962</td> <td>0.30% on band over €2,896.20</td> </tr> <tr> <td>€28,962 - €289,620</td> <td>0.30% on band over €28,962</td> </tr> <tr> <td>Over €289,620</td> <td>0.20% on all value over €7,240.50 -maximum of €1,448.10</td> </tr> </table>	Market value of Building (in €)	Rate (in €)	Up to €14,481	€37.65	€14,481 - €231,696	0.05% on band over €14,481	€231,696- €868,860	0.055% on band over €231,696	Over €868,860	0.05% on all value over €289,620, - maximum of €1,448.10		Rate (in €)	Up to €2,896.20	€23.17	€2,896.20- €28,962	0.30% on band over €2,896.20	€28,962 - €289,620	0.30% on band over €28,962	Over €289,620	0.20% on all value over €7,240.50 -maximum of €1,448.10	The payment is made before provision of the services.	
Market value of Building (in €)	Rate (in €)																							
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Table 10: Contract of sale and transfer of ownership

Taxation (esp. transfer tax)	Mandatory	There are no special capital gains taxes in Lithuania; capital gains are treated as ordinary taxable income and subject to the income tax rate of 15%. Capital gains from the sale of registered real property Transfer tax of money is about 3 eur.	The tax must be paid until the 1st of May of the following year after the sale. Transfer tax is paid when the amount of money is transferred to the other bank account	
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▲ Information on the legal position of a tenant occupying the dwelling to be sold. In particular: Does the rule *emptio non tollit locatum* apply?

Under Article 6.585 of the CC in the event of the right of ownership to a dwelling having passed from the lessor to another person, the contract of lease of a dwelling shall remain valid in respect of the new owner, provided that the contract of lease of a dwelling was registered in the Public Register within the procedure established by the law. This rule is also applicable in the case of rental dwellings with a social task (dwellings offered by housing associations, public bodies http://www.tenlaw.uni-bremen.de/Brochures/LithuaniaBrochure_09052014.pdf) except the cases indicated in Article 6.494 para 5 of the CC: in the event of expropriation of the thing for public interest, the contract of lease shall terminate at the moment from which the new owner of the expropriated thing (possessor) acquires possession of that thing.

5.3 Professional services performed in the real estate market related to buying and selling a property

Table 11: Professional services performed in the real estate market related to buying and selling a property

Services in the real estate market	Minimum standards for information provided by law, if applicable	Service providers involved	Quality of involvement	Fees expressed: <ul style="list-style-type: none"> • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)
Estate agent services or alternative matching devices	n.a.	Real estate agency/real estate agents	Optional, usual	Both
Provision of mandatory information before the start of	With certain minor exceptions, any types of real estate, the ownership of real estate, rights in rem, such as mortgage, usufruct, etc., as well as legal facts, e.g. attachments, lawsuits, transactions related to real estate or restriction of rights thereto,	Notaries	Mandatory	Both

Table 11: Professional services performed in the real estate market related to buying and selling a property

<p>the transaction, if applicable</p>	<p>are registered with the Real Estate Register (a public register administered by the State Enterprise Centre of Registers under the auspices of the Ministry of Justice). Only legally registered real estate may be sold or otherwise disposed of. Apart from certain limitations, all data of the Real Estate Register are available to the public. Any person, upon payment of a set fee, may obtain information on the legal status (including present and former owners, registered tenants and encumbrances, etc.) of any real estate registered with the Real Estate Register.</p>	<p>Real estate agency/real estate agents; lawyers/advocates, - participation is not mandatory.</p>		
<p>Preliminary contract (usual)</p>	<p>Preliminary contract regarding real estate is a legally binding contract to enter the main sale-purchase contract in the future. The identity of the parties, description of the property, property unique/registration/cadastral number, purchase price, term to enter the main contract, obligations of the parties concerning the real property should be included. It is possible to register the preliminary contract in the property register. It is advisable but not compulsory to ask the lawyer to draft the preliminary contract or to consult. There are no special requirements of participation of public notary in the process of signing the preliminary contract.</p>	<p>Real estate agency/real estate agents; lawyers/advocates, notaries</p>	<p>Optional, usual</p>	<p>Both</p>
<p>Preliminary checks (land register, administrative permits)</p>	<p>Before signing the sale-purchase agreement, the buyer should visit the object and check its actual conditions.</p> <p>1.1. To find out of the seller's property rights or authorization rights to perform the sale of the real property.</p> <p>1.2. Find out whether the property is registered in the Real Estate register; are there registered any encumbrances or other lien marks.</p>	<p>Real estate agency/real estate agents; lawyers/advocates, notaries</p> <p>Real estate agents/lawyers – if agreed with the client.</p>	<p>Mandatory (notaries have to verify whether the real estate is owned by the seller, or is not pledged and arrested)</p>	<p>Both</p>

Table 11: Professional services performed in the real estate market related to buying and selling a property

	<p>1.3. Find out if the property is property of the spouses; has the seller got the consent of the other spouse to alienate the property; find out of the pre-emption rights.</p> <p>1.4. Review the Inventory file,</p> <p>1.5. Find out whether the Seller does not have debts for apartment utilities, taxes and other services.</p> <p>At the initial stage of a property transaction, the notary public is required to order verification and revision of cadastral and registration data of the immovable property. This document is necessary for the execution of the sales contract.</p>	Other service providers – under the agreement with the client.		
Drafting the sales contract and/or deed of conveyance	The sale-purchase contract of real estate contains information relating to real estate property that the seller is bound under the contract to transfer to the buyer, also indication of its location and of the price. If this information is not presented in the agreement, no notarial certification will occur and the contract itself will be invalid.	Notaries Real estate agency/real estate agents; lawyers, advocates – if agreed with the client.	Drafting the sales contract is mandatory	Both
Legal advice or counselling	N.e.	Real estate agency/real estate agents; Lawyers, advocates – if agreed with the client.	Optional, usual	Both
Certification of signatures	N.e.	Notaries	Mandatory	Fixed amount - 7,24 Eur (http://www.notarurumai.lt/index.php/en/legal-acts/notary-fees)

Table 11: Professional services performed in the real estate market related to buying and selling a property

<p>Contract execution (transfer of payment; transfer of property)</p>	<p>A special form of a transaction certificate issued by the Centre of Registers is deemed to be the main assurance of ownership to a purchaser of real property. Such certificate is issued only at the request of a notary public and is produced in his offices. This results from the fact that any transaction concerning the transfer of the ownership or other rights in rem to real property, also transactions related to restriction of rights in rem to real property (e.g. mortgage, usufruct, etc.) should be certified by a notary public (otherwise it will be void). The certificate in question reflects the factual data on the owner(s) of real property that is subject to transaction, and thus serves as the assurance to the purchaser or other party to the transaction involving real property that, at the moment of transaction, a person indicated in the certificate is a true owner of the property to be acquired or otherwise disposed of. The real estate transaction for the purpose whereof the certificate was issued can be certified only by the notary (notaries) public in whose office the certificate was produced. The certificate is valid for 30 calendar days.</p>	<p>Bank; notary, real estate agents,</p>	<p>Optional, usual The Lithuanian law does not prescribe mandatory requirements for forms of payment for real estate.</p>	<p>The fees for obtaining the transaction certificate are minor. They are determined by the Centre of Registers in association with the Chamber of Notaries. For the legally required data transfer to the state registers and administration of the funds and transfer it to the register – from 2,90 to 8,69 Eur. (http://www.notarurumai.lt/index.php/en/legal-acts/notary-fees)</p>
<p>Registration in land register or similar device</p>	<p>According to the Lithuanian law, the registration of the sale-purchase contract of the real estate is not mandatory, and it is deemed effective with respect to its parties, irrespective of its legal registration. However, only registration makes the transfer opposable to third parties. In addition to the registration, a new property certificate is issued to the new owner of the real estate, at no cost when it is issued in the process of registering ownership rights to the sold property. The registration of a real-estate purchase only serves the purpose of disclosure of rights.</p>	<p>State Enterprise Centre of Registers</p>	<p>Optional</p>	<p>The price of the registration services depends on the average market value of the plot of land or the dwelling. See more information in the Table 10</p>
<p>Taxation (esp. transfer tax)</p>	<p>N.e.</p>	<p>State Tax Inspectorate, Seller</p>	<p>Mandatory</p>	<p>Personal income tax 15% of the profit of the sale of the real estate, shall be paid by the seller</p>

5.5 Creating a Mortgage

Table 12: Mortgage requirements

Main steps to create a mortgage	Actors/institutions involved	Minimum standards for information	Additional requirements for consumer mortgages, if relevant	Fees expressed: • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)	Typical risks associated to these steps
Conclusion of credit and mortgage agreement with lender (bank)	<p>Real estate agency, real estate agents-optional, if agreed with the client (not usual).</p> <p>Bank, credit institution</p>	<p>Prior to concluding a credit agreement, the lender (bank) must make a comprehensive assessment of the creditworthiness of the borrower. The lender (bank) must collect the information necessary for the creditworthiness assessment of the borrower from the registers and information systems and other sources, including the borrower, as well as information provided by the borrower to the credit intermediary when applying for a credit.</p> <p>Documents required to obtain the mortgage loan: 1) Credit application to individual; 2) personal identification documents confirming personal identity; 3) Copies of agreements (credit, leasing, insurance agreements, etc.) defining obligations to natural and legal persons; 4) Documents required for the construction or reconstruction of real estate (ownership documents, permits, project, works contracts, schedules, estimate); 5) Documents required to pledge real estate.</p> <p>The lender (bank), before concluding the credit agreement, submits to the borrower standardized information on the credit that allows him to compare the different credit granting offers by the creditors.</p>	<p>The lender is entitled to grant a loan to the borrower only if the results of the creditworthiness assessment allow a reasoned conclusion that the borrower's obligations under the credit agreement are likely to be fulfilled.</p>	<p>Both</p> <p>One-time administration fee of concluding a contract could be fixed or concrete percentage of total purchase price - it depends from provisions of concrete bank (for example 1.5% of the value of credit in Swedbank) and 172 Eur fixed amount in SEB bank).</p> <p>Annual insurance premium, which may range from a dozen to hundred euros per year depending on the amount of lending and other circumstances</p>	<p>Not relevant</p>

Table 12: Mortgage requirements

Insertion of mortgage in the land register, usually at first rank	Notary, State Enterprise Centre of Registers - mandatory	<p>Notary who validates mortgage (pledge) transaction can directly transfer data to the Mortgage Register using the Mortgage and pledge making and registration electronic program. This means that people applying for a loan can deal with mortgage related affairs in a “one-stop shop” way now.</p> <p>Parties can decide which terms are the most important and should be included into the mortgage (pledge) transaction. Contractual mortgage (pledge) now comes into force after it is signed by the parties involved in the transaction and approved by notary (if there are no other conditions), but not after their registration in the Mortgage Register, like it was before. The purpose of such registration is just to publish legal rights and obligations. The registration of contractual mortgages is not obligatory anymore, but it seems that all mortgage transactions are registered in the Mortgage Register.</p>	-	<p>Notary fee - From 0.2 to 0.3 per cent of the value of an item but no less than 14,48 Eur and no more than 144,81 Eur;</p> <p>Registration of a mortgage (pledge) 31,28</p>	
Credit sum paid to mortgagor (buyer) or seller	Bank or credit union	Banks must check the following key criteria when granting loans: salary, number of family members, consistency.	Up to 85 per cent of the market value or price (whichever is lower) of purchased housing subject to taking out a mortgage against it.	<p>Interests vary from 1,55 % to 5 % + EURIBOR of the value of credit</p> <p>http://www.bankai.lt/paskolos/busto</p>	

6. The process to rent or let a property

6.1 Main steps in the transaction process to rent and let a property

Table 13: Main steps of the process to rent and let a property

Main steps	Process involved ²³
Finding and matching landlords and tenants	Real estate agents who are acting in the residential rental market provide appropriate services for both landlords and tenants. For tenants, they help to find the dwelling according to tenant's needs and requests and his financial situation. For landlords, they help to rent the dwelling for faithful and responsible tenants and also help to get the best rental fee. The real estate agents also prepares rental contracts. It should be noted that in Lithuania not many people choose the services of real estate agents in the dwelling rental market. People prefer to rent dwelling without agents because of two main reasons: first, they do not want to pay fee to the agent; second, they would like to avoid paying taxes. If a contract is concluded via a real estate agent who works in most cases only with legal and official contracts between landlord and tenant, the tenant has to pay taxes to the budget.
Information search by landlords or tenants (e.g. about salary, outstanding debts)	-
Inspection of the property by tenants (in some cases with the help of professionals)	Inspection of the property by tenants at the beginning of the tenancy is one of the most important steps the tenant must perform before starting to rent a property: the tenant has to ensure himself/herself that later he/she will not have to pay for damage he/she did not cause. So having an accurate property inspection report is essential. The inspection is usually done with the real estate agent and sometimes alone only by the tenant. It should be noted that the property inspection report should be signed by both parties – the landlord and tenant/s.
Delivery of mandatory information to tenants prior to the conclusion of the contract (if relevant)	At the time of concluding a contract of lease of a dwelling, the lessor shall be obliged to submit to the lessee a copy of the by-laws of the dwelling-house condominium or any other document establishing the requirements for the care, use and maintenance of common premises and other rules. A copy of this document shall be an inherent part of a contract of lease of a dwelling. Nevertheless, a lessee shall have no right to demand dissolution of the contract of lease of a dwelling solely on the grounds of the lessor's failure to furnish him with a copy of this document.
Delivery of energy performance certificate to tenant	Energy performance certificate or a copy must be provided to the new tenant (Article 51 of the Law on construction).
Provision of additional guarantees to landlord	-

²³ Explain more precisely to what extent each step is relevant and how the step is performed

Table 13: Main steps of the process to rent and let a property

<p>Conclusion of the contract in the usual form (e.g. oral, written, preformulated)</p>	<p>People usually do not conclude the dwelling rent contracts in writing. Under the Article 6.579 of the Civil Code contracts of lease between natural persons may be formed orally. Only these contracts of lease can be formed in written form: (i) in the event where the lessor is the state, municipality or a legal person; (ii) a fixed-term contract of lease of a dwelling irrespective of who is the lessor. It should be noted that Municipalities (the cities' Councils) have confirmed the typical forms of the social housing lease contract (http://www.tenlaw.uni-bremen.de/Brochures/LithuaniaBrochure_09052014.pdf).</p>
<p>Rent payment and deposit (e.g. bank account)</p>	<p>The lessee shall be obliged to make the lease payment for the dwellings every month not later than by the twentieth calendar day of the following month unless other periods are provided for by the agreement of the parties. In practice, the main means of the security for the performance of the lessee's obligations for the lessor is the rent payment in advance. However, the amount of such rent payment in advance is limited: under the Article 6.583 para 5 of the CC the lessor shall have no right to demand the payment of lease in advance, with the exception of the lease payment for the first month.</p>
<p>Registration of the contract in the land register (e.g. excluded, optional or mandatory)</p>	<p>Registration of the contract is optional and not usual. It should be noted that if the dwelling rent contract is not registered under the rules of laws it cannot be used against third parties.</p>

6.2 Rent contract

Table 14: Rent contract

Main steps	Actors involved per intermediate step	Payment details ²⁴		Typical risks associated to these steps, if relevant
		Payments expressed: • In EUR as % of total purchase price <u>and</u> • As a fixed amount if available (add if VAT applies)	When is the payment made	
Finding and matching the parties	Real estate agents - optional	Many real estate agents charge one-month rent as a commission for finding a tenant. It could vary from 400 to 1000 EUR.	It depends on the agreement of the parties.	The main risk is to find reliable, orderly, solvent tenants
Information search by landlord on tenant (e.g. about salary, outstanding debts)	Real estate agents – optional, landlord, tenant,	No separate fee normally	-	There is no obligation to provide the particular information to the landlord. However, landlords are usually inspecting information about the tenant's debts, family members, pets, jobs/studies.
Inspection of the property by tenant (in some cases with the help of professionals)	Real estate agents – optional, landlord, tenant,	No separate fee normally	-	-
Delivery of mandatory information to tenant prior to the conclusion of the contract (if relevant)	Real estate agents – optional, landlord, tenant,	No separate fee normally	-	-
Delivery of energy performance certificate to tenant	Real estate agents – optional, landlord, tenant	It should be noted that certificate of energy performance of the dwelling costs about 25 EUR; for a house the cost is about 70 EUR.	-	-

²⁴ Payment shall be considered as the 'discharge of an obligation by its settlement equal to the monetary value of the debtor's obligation' while fees can be defined as 'a charge for services rendered' (Retrieved from: <http://www.investorwords.com/3634/payment.html>, <http://www.investorwords.com/1922/fee.html>). Payment, therefore, includes both the cost of the service and the fees for the service in question. If a division of the fees per step is not possible or usual, insert: "no separate fee usual" in the relevant table field and indicate the fees at the last step for which they are relevant, e.g. all fees under the heading "contract execution".

Table 14: Rent contract				
Conclusion of the contract in the usual form (e.g. oral, written; if written, preformulated)	Real estate agents State Enterprise landlord, tenant mandatory	It depends on the agreement of the parties. Amount is included in the overall fee, mentioned above (It could vary from 400 to 1000 EUR).	It depends on the agreement of the parties.	If parties do not conclude an agreement, tenant is at risk of unexpected eviction
Rent payment and deposit (e.g. bank account)	Bank – optional	No separate fee normally		
Registration of the contract in the land register or other device (excluded, optional or mandatory)	State Enterprise Centre of Registers – optional, Real estate agents landlord, tenant	Registration of the contract in State Enterprise Centre of Registers - 5,79 EUR	The payment is made before provision of the services.	Lease agreements may be invoked against third persons only upon proper registration of such agreement with the Real Estate Register.

6.3 Professional services performed in the real estate market related to renting and letting a property

Table 15: Professional services performed in the real estate market related to renting and letting a property				
Services in the real estate market	Minimum standards for information provided by law, if applicable	Service providers involved	Quality of involvement	Fees expressed: • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)
Finding and matching landlords and tenants	n.e.	Real estate agents/ agency/ newspapers/ internet	Optional	In cases of the letting property, fees of the real estate agents mostly are expressed as 1,5-3 % of the value of the contract. In cases of the rent, fees of the real estate agents mostly are expressed as fixed sum. It could vary from 400 to 1000 EUR for all provided services of real estate agents.

Table 15: Professional services performed in the real estate market related to renting and letting a property

Information search by landlords or tenants (e.g. about salary, outstanding debts)	n.e.	Credit information bureaus. Products and services of Credit Bureau 'Creditinfo' are meant to identify the risk of payment delays and bankruptcy, as well as to establish the possibility of fraud ²⁵ .	Optional	13,95 EUR information about debts in "Creditinfo"
Inspection of the property by tenants (in some cases with the help of professionals)	n.e. (not usual)	-	-	-
Delivery of mandatory information to tenants prior to the conclusion of the contract (if relevant)	Energy performance certificate or a copy must be provided to the new tenant (Article 51 of the Law on construction).	Usually no professional involved	Mandatory	n.e.
Conclusion of the contract in the usual form (e.g. oral, written, preformulated)	Minimum standards for the contract are set in the Civil Code.	Lawyers/advocates/real estate agents	Mandatory	There is no fixed sum for the preparing of the contract, it depends on services providers. The payment for lawyers/advocates could vary from 80 Eur to 300 EUR or more, depending on the object of the contract and other criteria. The payment for real estate agents are calculated in the sum, mentioned in the first table above (It could vary from 400 to 1000 EUR for all provided services of real estate agents).

²⁵<http://creditinfo.lt/en/about-us/> (last visited 5 Jun. 2017).

Table 15: Professional services performed in the real estate market related to renting and letting a property

<p>Rent payment and deposit (e.g. bank account)</p>	<p>The lessee shall be obliged to make the lease payment for the dwellings every month not later than by the twentieth calendar day of the following month unless other periods are provided for by the agreement of the parties.</p> <p>Payment of lease for the state and municipality dwellings shall be calculated in accordance with the procedure established by the Government (Article 6.583 of the Civil Code).</p> <p>The legal concept of the deposit is indicated in the Part 5 of the Article 6.583 of the Civil Code: the lessor shall have no right to demand the payment of lease in advance, with the exception of the lease payment for the first month. herefore, the deposit is an advance rent payment for which the amount is limited by the law. This rule is also applicable in the case of the social house rent because the special law (the Law on the Lithuanian state support for housing purchase or lease and apartment buildings renovation (modernization) of the Republic of Lithuania) does not provide any other clause than this rule of the Civil Code. Under the Part 5 of the Article 6.583 of the Civil Code, the amount of a deposit is equal to the amount of the rent payment for one month. The clause of the contract for more than one-month deposit payment will be null, but the contract itself will be valid.</p>	<p>Lessor, tenant</p>	<p>Mandatory</p>	<p>Depends on the agreement of the parties. Rent payment could vary from 400 to 1000 EUR (and much more depending on the specific criteria).</p>
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Table 15: Professional services performed in the real estate market related to renting and letting a property

<p>Registration of the contract in the land register (e.g. excluded, optional or mandatory)</p>	<p>Under Article 6.478 of the Civil Code, ‘a contract of lease for immovable things for a period of more than one year may be invoked against third persons only in the event if it is registered in the Public Register in accordance with the procedure established by laws’. According to the Law on the Registry of the Real Estate of the Republic of Lithuania, the real estate registry entry about a real estate may be made on lease legal fact. Therefore, in the Republic of Lithuania there is no duty to register lease contracts. This is left for self-determination of the contract parties. Generally, lessors avoid of lease contract registration because of profit taxes: if they officially register the lease contract, from which they receive income, they have duty to pay profit tax for these income from the housing lease activity. If they do not register lease contracts there are no official proof about income from the housing lease activities.</p>	<p>Registry of the Real Estate</p>	<p>Optional</p>	<p>The price of the registration services depends on the average market value of the plot of land or the dwelling. See more information in the Table 10.</p>
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7. Professional services regulation: notaries

7.1 Market entry and structure regulation

Table 16: Market entry and structure regulation

	Regulation	
Subjective requirements	<i>Qualifications (diplomas, exams, concours) required to become a notary in your country:</i>	<p>The office of notary may be held by a natural person, provided that s/he:</p> <ol style="list-style-type: none"> 1) Is a citizen of one EU Member State or another EEA Agreement Member State, or the Swiss Confederation. 2) Has proficiency in the language of the country; 3) Holds a higher university (Bachelor of Law and Master of Law degrees) degree in law; 4) Has served as a candidate notary (assessor) for a period of at least one year and passed the notary qualification examination, or holds a degree of doctor or doctor habilis in social sciences (law), has a record of at least five years of teaching or research work and has served as a trainee notary for a period of at least three months, or has a record of at least five years of service in the legal profession, has passed the notary qualification examination and served as a trainee notary for a period of at least three months. Service in the legal profession shall include activities specified in the list of legal professions approved by the Government of the Republic of Lithuania. The length of service in the legal profession shall be calculated from the moment the person has acquired legal professional qualification and started practising in the legal profession. The regulations on the notary qualification examination and the procedure for undertaking notarial traineeship shall be approved by the Minister of Justice of the Republic of Lithuania; 5) Is of impeccable character; 6) Is no more than 70 years of age; 7) Has won a public competition for the office of notary. A public competition for the office of notary shall be open to persons no more than 60 years of age. The regulations on public competition for the office of notary shall be approved by the Minister of Justice of the Republic of Lithuania; 8) Has no health disorders that would prevent him from performing notarial duties. While holding the office of notary, health checks shall also be mandatory every five years. The health requirements and the procedure of health checks for notaries shall be established by the Ministry of Health and the Ministry of Justice of the Republic of Lithuania. <p>Civil-law notaries, or Latin notaries, are lawyers of noncontentious private civil law who draft, take, and record legal instruments for private parties, provide legal advice and give attendance in person, and are vested as public officers with the authentication power of the State. Civil-law notaries are highly trained, licensed practitioners providing a full range of regulated legal services, and whereas they hold a public office, they nonetheless operate usually – but not always – in private practice and are paid on a fee-for-service basis. They often receive the same education as attorneys at civil law but without qualifications in</p>

Table 16: Market entry and structure regulation

		advocacy, procedural law, or the law of evidence, somewhat comparable to solicitor training in certain common-law countries.
Objective requirements	<i>Do numerus clausus and other objective requirements exist?</i>	The number of notaries is limited in relation to the number of the residents. Notary (assessor) candidates shall be accepted by the Minister of Justice of the Republic of Lithuania. The House of Notaries shall establish conditions for the education of notary candidates and shall pay those grants.
Citizenship requirements	<i>Are foreign candidates admitted de iure and also de facto under the same conditions as nationals?</i>	Only citizen of the EU Member State or another EEA Agreement Member State, or the Swiss Confederation may become notaries in Lithuania.
Inter-professional cooperation	<i>Are forms of collaboration between notaries and other professionals allowed and usual?</i>	The notary shall not have the right to cooperate with employees of other occupations in joint commercial economic activities.
Business structure	<i>Are notary associations/corporations allowed?</i>	Notarial acts shall be performed by the notaries who establish their own bureaus. Several notaries may establish one bureau upon concluding a joint activity agreement. The conclusion of these agreements shall be regulated by the Ministry of Justice of the Republic of Lithuania. The notary shall act on behalf of the state, and on the base of laws, shall ensure that there are no illegal transactions or documents in civil legal relations.
Geographical limitations	<i>Are there limitations with respect to the area in which the notary can exercise his/her activities (e.g. at the regional or municipal level)?</i>	The number of notaries is limited regarding to number of the residents.
	<i>Are these limitation restricted to specific tasks?</i>	The number of residents serviced by one notary in the municipality shall not exceed 15 thousands and not less than 10 thousands.

7.2 Market conduct regulation

Table 17: Market conduct regulation

	Regulation	
Exclusive rights	<i>For which transactions or parts of them only notaries may act against payment.</i>	The following transactions shall be drawn up in the notarial form: 1) Transactions on the transfer of the real rights in an immovable thing and transactions on the encumbrance of the real rights and of the immovable thing; 2) Other transactions, which are to be notarised in accordance with the mandatory provisions of the Civil Code.
Duty to provide services	<i>Are notaries allowed to refuse a request to act?</i>	When provision of services is optional and not obligatory, a notary is allowed to refuse. A notary must refuse to perform a notarial act where the performance of such an act is contrary to laws or not in compliance with their requirements. At the request of a person who has been refused a notarial act, the reason for the refusal shall be stated in writing, also explaining in writing the procedure and time limits for appealing against refusal. The letter of refusal to perform a notarial act must specify the following: the date of the refusal, the first name, surname of the notary and the name of the notary office, the identification data of the person who has been refused a notarial act, the act requested to be performed, the reasons and legal grounds for the refusal to perform a notarial act, the procedure and time limits for appealing against refusal. The refusal to perform a notarial act shall be signed by the notary and attested by his seal. Legal acts regulating the activities of consular posts of the Republic of Lithuania may provide for different grounds and procedure for refusing by consular officers of the Republic of Lithuania to perform notarial acts.
Professional standards	<i>How are professional standards regulated? What are the tasks of the professional representation (e.g. Chamber of Notaries) in this context?</i>	There are 263 notaries working in Lithuania. Notaries join together in the Chamber of Notaries. Major objectives of the Chamber of Notaries are: <ul style="list-style-type: none"> • To exercise the self-governance of notaries; • To coordinate the activities of notaries; • To take care of the legal culture and professional development of notaries; • To make the notarial practice more uniform; • To draft regulatory legal acts related to the notariat and submit them to the Ministry of Justice of the Republic of Lithuania; • To inform the public about the functions carried out by notaries. Lithuanian Chamber of Notaries approved the Code of Ethics for Notaries, which defines the main principles of professional ethics for notaries. The aim of this Code is to help a notary to fulfil his/her professional obligations honestly, impeccably and in line with the principles of professional ethics as well as properly organize the work of his/her notary office. Every notary shall understand the principles of professional ethics ex officio and shall adhere to them taking into account the goals, aims and

Table 17: Market conduct regulation

		particularity of notary profession as well as obligations assumed in relation to the State, the public and the professional oath.
Mandatory intervention	<i>Is the intervention of a notary is required for the registration procedure</i>	According the Article 1.74 of the Civil Code the transactions on the transfer of the real rights in an immovable thing and transactions on the encumbrance of the real rights and of the immovable thing shall be drawn up in the notarial form.
Compulsory indemnity insurance	<i>Is indemnity insurance compulsory? If yes, what is the indicative amount of the insurance?</i>	<p>The professional civil liability of notaries shall be covered by compulsory insurance for damage caused to natural or legal persons in the pursuit of their notarial professional activities and exceeding EUR 289. The object of compulsory insurance of notaries against professional civil liability shall be the civil liability of notaries for damage caused by guilty acts of notaries, their agents and the staff of notary offices in the pursuit of notarial professional activities.</p> <p>Notaries shall be covered by compulsory insurance against professional civil liability by concluding a contract of insurance of notaries against professional civil liability. The policyholder of compulsory insurance of notaries against professional civil liability shall be the Chamber of Notaries. The minimum sum insured in respect of compulsory insurance of each notary against professional civil liability shall be EUR 28 900 for each insured event. When the insurer pays out an insurance benefit in the case of an insured event, the insurance obligation shall continue for the total sum insured without deduction of the insurance benefits paid.</p> <p>A notary may additionally take out compulsory insurance of notaries against professional civil liability for damage caused to natural or legal persons in the pursuit of his notarial professional activities. The Chamber of Notaries must present to the Ministry of Justice of the Republic of Lithuania a copy of the certificate (policy) of compulsory insurance of notaries against professional civil liability within ten days from the conclusion of the insurance contract.</p> <p>The insurer having the authorisation granted according the procedure provided for in the legal acts to engage in compulsory insurance of notaries against professional civil liability must conclude a contract of compulsory insurance of notaries against professional civil liability with the Chamber of Notaries, when it submits an application and all the documents required for concluding such contracts. The rules for compulsory insurance of notaries against professional civil liability shall be approved by the Government or an institution authorised by it.</p> <p>Damage caused by guilty acts of notaries, their agents and the staff of a notary office in the pursuit of notarial professional activities shall be compensated by the insurer by paying out an insurance benefit within the limits of the sum insured. Where the insurance benefit is not sufficient to compensate for damages in full, the difference between the insurance benefit and the actual damages shall be covered by the notary who has caused the damage.</p>
Continuing education	<i>Do forms of continuing education exist? If yes, is continuing education mandatory?</i>	A notary must continuously improve his qualifications. The regulations on the improvement of qualifications of notaries shall be approved by the Minister of Justice of the Republic of Lithuania on the recommendation of the Presidium of the Chamber of Notaries.

Table 17: Market conduct regulation

		<p>Notaries shall undergo regular assessments. The assessment of notaries shall be carried out by the Chamber of Notaries.</p> <p>The regulations on the assessment of notaries shall be approved by the Minister of Justice of the Republic of Lithuania on the recommendation of the Presidium of the Chamber of Notaries. Where the Minister of Justice of the Republic of Lithuania refuses to approve the regulations on the assessment of notaries, reasons for such refusal shall be stated in writing, which must be taken into account by the Presidium of the Chamber of Notaries.</p>
Advertising restrictions	<i>Are there limitations on advertising?</i>	Notaries are not allowed to advertise their professional activities directly or indirectly.
Fee regulation	<i>Notary fee system</i>	<p>Notarial fee system consists of state fees, payment for services and VAT. Payments for services of notary depends on the value of the deed or certification (amount of transaction) and the liability of the notary associated with the deed or certification, the social balance in society (there are some cases in Lithuania when notaries make discounts for disadvantaged persons and orphans at their own expense) and the time necessary for the drawing up of the deed or certification.</p> <p>The amount of payment for particular notarial services is fixed by statute (law). The notary's remuneration for services is the subject of an agreement between the parties.</p> <p>Fees in detail are explained in the link below. http://www.notarurumai.lt/index.php/lt/legal-acts/notary-fees</p>

8. Professional services regulation: lawyers or other licensed conveyancers (only relevant if legally admitted to perform real estate transactions and/or to assist the conclusion of tenancy agreements)

8.1 Market entry and structure regulation

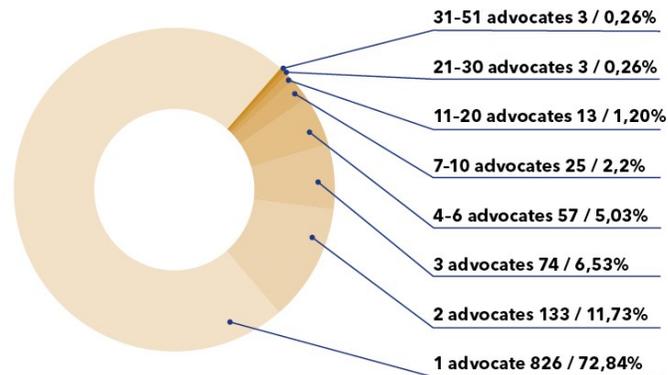
Table 18: Market entry and structure regulation

Regulation		
Subjective requirements	<i>Conditions (diplomas, exams, concours) required to become a lawyer in your country.</i>	<p>Requirements to become a lawyer: higher education / university education. A law degree is compulsory.</p> <p>Steps to becoming a fully-fledged lawyer:</p> <ul style="list-style-type: none"> • A natural person (hereinafter referred to as an applicant) shall be recognised as an advocate provided s/he: <ol style="list-style-type: none"> 1) Is a national of the Republic of Lithuania or a Member State of the European Union; 2) Holds a bachelor's or master's degree in law, or a lawyer's professional qualification degree (one-cycle university education in law); 3) Has a record of at least five years of service in the legal profession or has served an apprenticeship as an advocate's assistant for a period of at least two years. Service in the legal profession shall include activities specified in the list of legal professions approved by the Government of the Republic of Lithuania. The length of service in the legal profession shall be calculated from the moment the person has acquired a bachelor's or master's degree in law, or a lawyer's professional qualification degree (one-cycle university education in law) and started practising law; 4) Is of high moral character; 5) Has proficiency in the language of the country; 6) Has passed the advocate's qualification examination; 7) Has no health disorders that would prevent him/her from performing the advocate's duties. The health requirements and the procedure of health checks for applicants and advocates shall be established by the Ministry of Health and the Ministry of Justice of the Republic of Lithuania.
Objective requirements	<i>Do numerus clauses and other objective requirements exist?</i>	<ol style="list-style-type: none"> 1. The right to practise as an advocate shall be enjoyed by advocates entered in the list of advocates entitled to pursue the activities of an advocate (hereinafter referred to as the List of Practising Advocates of Lithuania) in possession of the licence 2. An advocate shall be entered on the List of Practising Advocates of Lithuania when he: <ol style="list-style-type: none"> 1) Has sworn the oath in accordance with the procedure laid down in this Law; 2) Is covered by insurance of an advocate or a professional partnership of advocates against professional civil liability;

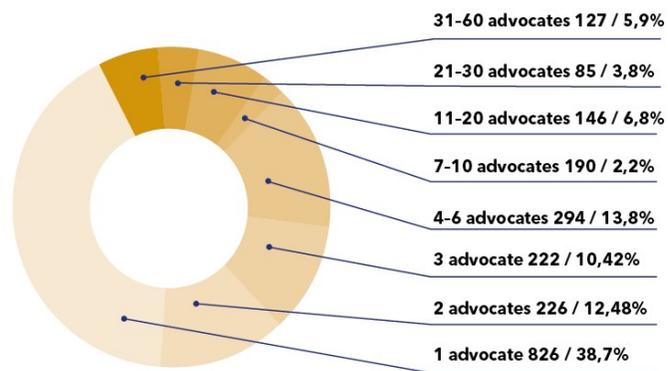
Table 18: Market entry and structure regulation

		<p>3) Is ready to practise as an advocate in one of the forms: individually; on the basis of partnership without establishing a legal person; by establishing a legal person – a professional partnership of advocates.</p> <p>An applicant shall not be held to be of high moral character and may not be recognised as an advocate if s/he:</p> <p>1) Has been convicted of an intentional criminal act, irrespective of whether or not the conviction has expired, or convicted of any other criminal act and the conviction has not expired yet;</p> <p>2) Has been dismissed from the office of a judge, a prosecutor, an advocate, an advocate's assistant, a notary, an assessor, a notary's agent, a court bailiff, a bailiff, a bailiff's agent or a bailiff's assistant for professional misconduct or misconduct in office, or dismissed from the office of a civil servant subject to a disciplinary sanction or from work for serious breaches of duties and less than three years have passed from the date of dismissal;</p> <p>3) Abuses psychotropic, narcotic, toxic substances or alcohol;</p> <p>4) Does not meet the requirements laid down for advocates in the Lithuanian Code of Ethics for Advocates.</p>
Citizenship requirements	<i>Are foreign candidates admitted de iure and also de facto under the same conditions as nationals?</i>	Yes, if the person is from a Member State of the European Union and has proficiency in the state language.
Inter-professional cooperation	<i>Are forms of collaboration between lawyers and other professionals allowed and usual?</i>	<p>Yes. Advocates may practice: individually, on the basis of partnership without establishing a legal person, by establishing a legal person – a professional partnership of advocates. An advocate shall have the right to choose only one form of practice but it is allowed to change the form of practice. Having changed the form of practice, the advocate must inform the Lithuanian Bar Association thereof.</p> <p>Law Firms by the Number of Employed Advocates Therein, 2016</p>

Table 18: Market entry and structure regulation



Number of Advocates in Law Firms (Per Cent of Practising Advocates), 2016



Advocates are united by the Lithuanian Bar Association, which is a public legal entity and may be legally characterized as an association. It is distinguished by broad intercultural competence and leadership of advocates in the geographical region (more information <http://www.advokatura.lt/en/about-the-bar/lithuanian-bar-association-5wat.html>).

Table 18: Market entry and structure regulation

Business structure	<i>Are lawyer associations/corporations allowed?</i>	Attorneys practice individually or in collaboration exclusively with other attorneys or with lawyers who are not attorneys.
Geographical limitations	<i>Are there limitations with respect to the area in which the lawyer can exercise his/her activities (e.g. at the regional or municipal level)?</i>	No
	<i>Are these limitation restricted to specific tasks?</i>	

8.2 Market conduct regulation

Table 19: Market conduct regulation

	Regulation	
Exclusive rights	<i>For which transactions or parts of them only lawyers may act against payment</i>	There are no such transactions.
Neutrality	<i>Is the lawyer allowed to act on behalf of both parties involved in the transaction? In this case, what type of fees apply and which party has to bear them?</i>	Yes. In out court matter an attorney at law may represent both parties if both parties gave consent and there are no possible conflicts of interest. Fees are determined in accordance with a mutual agreement of parties.
Duty to provide services	<i>Are lawyers allowed to refuse a request to act?</i>	An advocate may refuse to provide legal services and to conclude a contract only for important reasons. Important reasons shall be the breach of the principles governing the practice of advocates Principles Governing the Practice of Advocates (freedom and independence of the advocate's activities; democracy, collegiality of relations and fair competition between advocates; lawfulness of the activities of advocates; non-disclosure of the client's secret; loyalty to the client and avoidance of any conflict of interests), the advocate's busy schedule, lack of experience or other reasons preventing the advocate from adequate provision of legal services.

Table 19: Market conduct regulation

Professional standards	<i>How are professional standards regulated? What are the tasks of the professional representation (e.g. Chamber of Lawyers/Advocates) in this context?</i>	<p>Lithuanian Bar Association – a public legal entity and may be legally characterized as an association. It manages the organisational matters, supervises the activities of attorneys and their assistants, ensures continuing education, examines complaints and initiates disciplinary proceedings etc.</p> <p>The Association approved the Code of Ethics for Advocates (hereinafter referred to as the Code) which establishes the main rules and principles of professional ethics of advocates of the Republic of Lithuania and regulates advocate’s conduct in carrying out professional activities of an advocate and conduct related to professional activities and the repute of the advocate’s profession.</p> <p>This Code is aimed at defining principles of professional activities and conduct, to which an advocate must adhere in his professional activities and daily life in order that proper performance of advocate’s functions would be ensured and the reputation of the advocate’s profession would be kept and cherished.</p>
Compulsory indemnity insurance	<i>Is indemnity insurance compulsory? If yes, what is the indicative amount of the insurance?</i>	<ol style="list-style-type: none"> 1. The professional civil liability of an advocate or a professional partnership of advocates shall be covered by compulsory insurance for the damage caused to natural or legal persons in the pursuit of the advocate’s activities and exceeding EUR 290. 2. The object of compulsory insurance of an advocate against professional civil liability shall be an advocate’s civil liability for the damage caused by illegal actions of an advocate, advocate’s assistants or other employees of an advocate or a professional partnership of advocates in the pursuit of the advocate’s activities. 3. An insured event shall mean illegal actions (act or omission) committed by an advocate, advocate’s assistants or other employees of an advocate or a professional partnership of advocates during the period of validity of the insurance contract and resulting in the loss. 4. An advocate shall be covered by compulsory insurance against professional civil liability by entering into a contract of compulsory insurance of an advocate against professional civil liability. The policyholder of compulsory insurance of an advocate against professional civil liability shall be an advocate or a professional partnership of advocates. Where advocates practise through a professional partnership of advocates, the civil liability of the professional partnership of advocates may be covered by insurance. In this case, the sum insured shall be established according to the number of members of this professional partnership of advocates, pursuant to the requirements set in this Article. The minimum sum insured in respect of compulsory insurance of each advocate against professional civil liability shall be EUR 28 900 for each insured event. 5. An advocate may additionally take out compulsory insurance of an advocate against professional civil liability for the damage caused to natural or legal persons in the pursuit of the advocate’s activities. 6. The insurer having an authorisation granted by the State Insurance Supervisory Authority under the Ministry of Finance of the Republic of Lithuania to engage in compulsory insurance of advocates against professional civil liability must enter into a contract of compulsory insurance of an advocate against professional civil liability with an advocate who has submitted an application and all the documents required for concluding such a contract. The rules for compulsory insurance of advocates against

Table 19: Market conduct regulation

		<p>professional civil liability shall be approved by the Government of the Republic of Lithuania or an institution authorised by it.</p> <p>7. An advocate entered in the List of Practising Advocates of Lithuania must present to the Lithuanian Bar Association a copy of the certificate (policy) of compulsory insurance of an advocate against professional civil liability within ten days from the conclusion of the insurance contract.</p> <p>8. An advocate must present, at the request of the client, his certificate (policy) of compulsory insurance of an advocate against professional civil liability.</p> <p>9. Damage caused by illegal actions of an advocate, advocate’s assistants or other employees of an advocate or a professional partnership of advocates in the pursuit of the advocate’s activities shall be compensated by the insurer by paying out an insurance benefit within the limits of the sum insured. Where the insurance benefit is not sufficient to compensate for the damage in full, the difference between the benefit and the actual amount of damage shall be covered by the advocate who has caused the damage.</p>
Continuing education	<i>Do forms of continuing education exist? If yes, is continuing education mandatory?</i>	An advocate must continuously improve his professional qualifications. The improvement of professional qualifications of advocates shall be organised by the Lithuanian Bar Association in accordance with the procedure established by the latter.
Advertising restrictions	<i>Are there limitations on advertising?</i>	Advertising should meet the principles of lawyer's activity
Fee regulation	<i>Lawyer fee system</i>	<p>1. For the legal services provided under the contract, the advocate shall be paid by the clients the fee agreed by the parties.</p> <p>2. In civil cases, as well as where an action is brought in a criminal case, it shall be allowed to agree on the advocate’s fee so that the amount of the fee would depend on the outcome of the case, unless it contradicts the principles governing the practice of advocates.</p> <p>3. When determining the advocate’s fee for legal services, account must be taken of the complexity of the case, the qualification and experience of the advocate, the financial status of the client and other relevant circumstances.</p> <p>4. Expenses related to the advocate’s activities shall be covered from the advocate’s fee for the legal services provided under the contract and from remuneration for the provided state-guaranteed legal aid.</p> <p>5. An advocate shall have the right to pay, on behalf of and with the funds of the client, the stamp duty, state fees and charges or other payments related to the provision of legal services. The funds temporarily held by advocates but owned by other persons shall be accounted for separately and kept in deposit accounts of advocates. It shall be prohibited to execute recovery from the funds kept in these accounts in respect of the obligations of the advocate.</p> <p>The fees depend on the nature of the work, the advocate’s professionalism and experience, and also on the value of the object. It should be noted that usually parties agree an hourly rate which generally starts from 100/150 eur per hour.</p>

9. Professional services regulation: estate agents

9.1 Market entry and structure regulation

Table 20: Market entry and structure regulation

	Regulation	
Subjective requirements	<i>Qualifications required to become an estate agent in your country.</i>	It is important to note that until now, there are no legal acts regulating such procedures in the Republic of Lithuania and the requirements for professionals.
Objective requirements	<i>Do numerous clauses and other objective requirements exist?</i>	There are no such requirements
Licence requirements	<i>Are estate agents licenced or do they work as employees?</i>	Real estate agent's certification is not compulsory. It should be noted that in 2007 the Lithuanian Association of Real Estate Agency was established in order to unite Lithuanian real estate agencies for the common goal to seek more favourable conditions for the development of real estate activities, to prevent illegal trades in real estate market. The Association started to organize and execute real estate agents certification exam, which can only be kept by an agent who works as a real estate agent in a real estate agency owned by the association. Nevertheless, it should be noted that in principle anyone can exercise as a real estate agent, as there are no legal acts regulating such procedures in the Republic of Lithuania.
Citizenship requirements	<i>Is unlimited access to the profession granted to foreign professionals de iure and de facto?</i>	There are no such requirements
Inter-professional cooperation	<i>Are estate agents allowed to exercise another profession or business activity? Is inter-professional cooperation regulated?</i>	There are no restrictions to exercise another profession or business activity. Inter-professional cooperation is not regulated.
Business structure	<i>Share of estate agent acts acting as sole practitioners and as companies (if data are available)?</i>	N/A
Geographical limitations	<i>Are there limitations with respect to the area in which</i>	There are no such limitations.

Table 20: Market entry and structure regulation

	<i>the estate agent can exercise his/her activities (e.g. at the regional or municipal level)?</i>	
	<i>Are these limitation restricted to specific tasks?</i>	There are no such limitations.

9.2 Market conduct regulation

Table 21: Market conduct regulation

	Regulation	
Neutrality	<i>Is neutrality regulated? Is the agent allowed to act on behalf of both parties involved in the transaction? In this case, what type of fees applies and which party bears these?</i>	The neutrality is not regulated.
Professional standards	<i>How are professional standards regulated? Are entities or associations ensuring the professional representation and respect of rules of good practice (e.g. association of real estate professionals)?</i>	The Association of Real Estate Agencies of Lithuania approved a code of ethics that establishes the applicable moral and ethical principles of professional activity and regulates the ethical norms of the professional conduct of all real estate agents.
Compulsory indemnity insurance	<i>Is indemnity insurance compulsory for estate agents? If yes, what is the indicative amount of the insurance?</i>	Indemnity insurance is not compulsory for estate agents, as it is not regulated at all.
Continuing education	<i>Do forms of continuing education exist? If yes, is continuing education mandatory? What are the requirements related to the content and duration of continuing education? What are the consequences of non-compliance?</i>	No
Advertising restrictions	<i>Are there limitations on advertising?</i>	No
Fee regulation	<i>Real estate agents' fee system</i>	Real estate agents are paid through commissions – payments are made directly to real estate agents for services rendered in the sale or purchase of real property. A commission is usually a percentage of the property's selling price, although it can be a flat fee. Fees are not limited and the payment is usually made by the party that has concluded the agreement with the real estate agent.

Table 21: Market conduct regulation

<p>Compulsory membership in professional bodies/compulsory registration</p>	<p><i>Is membership in professional bodies compulsory? If so, what are the membership conditions and the membership fees? Does the professional body have a supervisory or another important regulatory role?</i></p>	<p>It should be noted, that the membership in The Association of Real Estate Agencies of Lithuania is not compulsory, but is advisable since only members can take a real estate agent license exam.</p>
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10. The real estate market

10.1 Transaction costs for sample transactions

Table 22: Transaction costs VAT excluded						
	Estate agent ²⁶	Technical services (if usual)	Legal services	Land register fee	Transfer tax/stamp duty	Total usual transfer costs
€100,000 sales price (no mortgage)	Approx. 1.5-3 % (1500-3000 EUR) in sale transactions.	Cost of property valuation services usually varies from 150-300 EUR.	The legal services costs usually do not depend on the sales price. It should be noted that usually parties agree an hourly rate which generally starts from 100/150 eur per hour	Fee for registration of ownership rights to a land plot – 146,79 € ²⁷ ; Fee for registration of ownership rights to buildings, apartments or premises – 31,44 €	Transfer tax is approximately about 3 Eur (transfer tax could vary depending on different banks)	Information is not available.
€100,000 sales price + 100.000€ mortgage	Aprox. 1.5-3 % (1500-3000 EUR)			Fee for registration of ownership rights to a land plot – 146,79 € + registration of a mortgage (pledge) 31,28€ ²⁸ ; Fee for registration ownership rights to buildings, apartments or premises – 31,44 € + registration of a mortgage (pledge) 31,28€ ²⁹		
€250,000 sales price (no mortgage)	Approx. 1.5-3 % (3750-7500 EUR)			Fee for registration of ownership rights to a land plot – 245,79€; Fee for registration ownership rights to buildings, apartments or premises –86,89€		

²⁶ An agent usually receives a percentage of the transaction value.

²⁷ <http://www.registrucentras.lt/p/85>

²⁸ <https://www.e-tar.lt/portal/lt/legalAct/TAR.4779183B5F59/GiojkmkfGM>

²⁹ <https://www.e-tar.lt/portal/lt/legalAct/TAR.4779183B5F59/GiojkmkfGM>

Table 22: Transaction costs VAT excluded

€250,000 sales price + 250,000€ mortgage	Approx. 1.5-3 % (3750-7500 EUR)			Fee for registration of ownership rights to a land plot – 245,79€ + registration of a mortgage (pledge) 31,28€; Fee for registration ownership rights to buildings, apartments or premises –86,89€ + registration of a mortgage (pledge) 31,28€		
€500,000 sales price (no mortgage)	Approx. 1.5-3 % (7500 EUR – 15 000 EUR)			Fee for registration of ownership rights to a land plot – 289,62€; Fee for registration ownership rights to buildings, apartments or premises –165,82€		
€500,000 sales price + €500,000 mortgage	Approx. 1.5-3 percent depending on a type of transaction			Fee for registration of ownership rights to a land plot – 289,62€ + registration of a mortgage (pledge) 31,28€; Fee for registration ownership rights to buildings, apartments or premises –165,82€ + registration of a mortgage (pledge) 31,28€		
%VAT applicable	The standard VAT rate is 21% ³⁰ .	The Standard VAT rate is 21%.	-	-	-	

³⁰ The standard VAT rate is 21%. However, a taxable person of the Republic of Lithuania does not have to register as a VAT payer and does not have to calculate nor pay VAT on the goods and/or services supplied (except for new vehicles supplied to other EU Member States), provided that the aggregate amount received from the goods and/or services supplied as part of routine business activities does not exceed EUR 45,000 during the last 12 months.

10.2 Transaction features

Table 23: Transaction features			
Transaction / service	Party bearing the costs of intermediation service (buyers or sellers, landlords or tenants) Costs expressed: • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)	Fees as expressed in the contract: • In EUR as % of total purchase price <u>and</u> • As a fixed amount (if available)	Possible hidden costs faced by buyers or tenants, if applicable
Estate agents	Fees are usually made by the party that has concluded the agreement with the real estate agent.	Fees depend on the agreement, but usually varies from 1,5 % to 3% of value in sale transactions. Many real estate agents charge one-month rent as a commission for finding a tenant.	VAT
Technical services	Fees are usually made by the party that has concluded the agreement with the real estate agent.	Cost of property valuation services usually varies from 150-300 EUR.	VAT
Legal services	Fees are usually made by the party that has concluded the agreement with the real estate agent.	The fees depend on the nature of the work, his professionalism, and experience on the value of the object. It should be noted that usually parties agree an hourly rate which generally starts from 100/150 eur per hour	VAT
Land register fees	Applicant, who requests for registration	The price of the registration services depends on the average market value of the plot of land or the dwelling. See more information in Table 10.	-
Taxes on conveyancing	-	-	-
Transfer taxes	It depends on the agreement of the parties	Transfer tax is approximately about 3 Eur	-

10.3 Taxes during the process of buying and selling a property

Table 24: Taxes related to buying and selling a property			
	Relevance of the tax	When to pay the tax as part of the process of buying or selling	Tax amount (expressed in EUR as % of total purchase price <u>and</u> as a fixed amount if available)
Registration tax ³¹	No		
Mortgage tax	No		
Cadastral tax	No		
Stamp tax	No		
Transfer tax (tax on the acquisition of property)	No		
Archives tax	No		
Other taxes	Yes	The tax year is a calendar year. Income is taxed in the year in which it is actually received. The tax must be paid until the 1st of May of the following year after the transactions.	According to the Law on Personal Income Tax, the seller has to pay 15% of income tax. This tax will be calculated as the difference between the proceeds from the sale of immovable property and the acquisition cost of the property, while reducing the cost of the acquisition of the asset by paying the required payments and the costs of repairing the asset.

³¹ Registration taxes are public levies associated with the registration act. They are not to be confused with registration fees, i.e. the payment required by the registration office to carry out the registration. Registration fees are contained in Table 10.

10.4 Taxes during the process of renting and letting a property

Table 25: Taxes related to renting or letting a property			
	Relevance of the tax	When to pay the tax in the process of renting or letting	Tax amount (expressed in EUR as % of total purchase price and as a fixed amount if available)
Registration tax	No	-	-
Stamp tax	No	-	-
Other taxes concerning the use of the property, if applicable	Yes	Income tax must be paid until the 1st of May of year following the year of the transactions. Business certificate fee (the payment is made before starting the business).	<p>A natural person can choose one of two payment methods: to declare the rental income and pay 15% of the income tax on the income actually received or to purchase a business certificate and pay taxes immediately.</p> <p>A natural person who chooses to purchase a business certificate must immediately go to the local tax office where he/she is registered. The cost of a business certificate depends on the municipality where a tenant leases the property. For example, in the city of Vilnius in the year 2015 the cost of such a certificate was 540 € per year (the calculator of the exact cost is shown in the link below https://www.vmi.lt/cms/verslo-liudijimu-skaiciuokle12)</p> <p>It is important to know that this tax form can only be applied if a person is renting a real estate to a natural person.</p>

11. Consumer situation in the market

11.1 Consumer rights

Table 26: Consumer rights

<p>Are there specific consumer rights in the context of real estate transactions and residential tenancies in your country? In particular: are residential tenants treated as consumers?</p>	<i>With respect to buyers</i>	<p>There are no specific consumer rights in the context of real estate transactions, except Article 6.672 of the Civil Code of the Republic of Lithuania: Under a contract of consumer independent work, the independent work contractor engaged in a certain business activity shall take an obligation to fulfil in accordance with the order of a natural person (consumer) certain work intended to satisfy domestic or other personal needs of the customer or those of his family, while the customer shall be obliged to accept the result of the work performed and pay for it.</p> <p>It should be noted, that under the circumstances when a consumer buys a real estate, general contractual relations of consumer rights are applicable (Article 1.39 and (1), 6.188 of the Civil Code of the Republic of Lithuania etc.).</p>
	<i>With respect to sellers</i>	No specific rights
	<i>With respect to tenants</i>	There are no specific tenant rights in the context of real estate rental. However, in accordance with the specifics of contractual conditions, a residential tenant could be treated as consumers.
	<i>With respect to landlords</i>	No specific rights
<p>If relevant, which existing marketing practices are non-compliant with national consumer legislation?</p>	N.e.	
<p>If relevant, which existing marketing practices are non-compliant with EU consumer legislation?</p>	N.e.	
<p>Are there existing marketing practices detrimental to consumers, even if not necessarily illegal, in both domestic and cross-border transactions?</p>	N.e.	

11.2 Consumer complaints

Table 27: Consumer complaints	
How often do buyers and sellers complain due to arising legal issues (e.g. invalid contract, missing information, hidden defects, missing building permit, delay in payment)?	State Consumer Rights Protection Authority in 2015 had registered 232 complaints about housing construction and renovation services, (in 2016, - 156 complaints) ³² .
How often do tenants and landlords complain due to arising legal issues (e.g. invalid contract, missing information, increase of rent, termination of the contract without proper notice)?	According to the statistics, in 2015 there were 3064 new cases due to rental legal issues in the first instance court. It should also be noted, that in 2015 there were 360 reports of allegedly illegal rental. In 2016 there were 146 reports received. According to internet portal www.infolex.lt, disputes regarding eviction of tenants are most frequent. Further information in detail about the grounds of the disputes is not available.
Are consumer complaints against a professional service provider frequent, in particular as regards the fees and quality or service?	N/A
To whom can consumers complain (e.g. local or national administration, consumer protection agencies)? And through which means (e.g. formal letter, online form)? Is the procedure effective (in particular: average time needed for reply, solutions available for redress)?	<p>Consumer can complain to: national courts; Consumer Rights Protection Authority. State Consumer Rights Protection Authority coordinates state institutions' activities on protection of consumers.</p> <p>One of the main priorities of the State Consumer Rights Protection Authority is to create a consumer rights protection system corresponding to high European Union standards. The main aims, tasks and priority trends of consumer right protection for 2007 -2010 are determined by the National Strategy for Consumer Protection and its implementation measures, approved on April 11, 2007 by the Government of the Republic of Lithuania.</p> <p>The Strategy provides an effective institutional system for consumer rights protection. In order to execute these functions the new structure of State Consumer Rights Protection Authority has been approved, administrative capacities of the employees are continually improved and collaboration with state and municipality institutions and non-governmental organizations is strengthened. The representatives of the State Consumer Rights Protection Authority will start working in counties this year in collaboration with the representatives of the Government, municipalities, administrations of the Governors of the counties, local authorities as well as subdivisions of state market surveillance offices. It will help to implement the policy of consumer rights protection consistently and protect consumers' rights.</p> <p>State Consumer Rights Protection Authority follows the requirements set by the European Union. The Authority, while implementing prescribed functions, will ensure that every consumer, whether s/he lives in a city or in countryside, is aware</p>

³² State Consumer Rights Protection Authority did not provide more specific information on the nature of complaints.

Table 27: Consumer complaints

that the State Consumer Rights Protection Authority and state institutions existing under its coordination will help to solve the problems arisen for consumer.

Consumer rights information system (VTIS) provides opportunity to use such electronic services:

- submit request (complaint); (VTIS has possibility for users to submit request (complaint) regarding rights' violations)
- submit inquiry** (VTIS has possibility for users to submit an inquiry regarding provisions of legal acts, consumer rights protection and other general issues). If the consumer desires to resolve the dispute between him/herself and the seller or service provider, the consumer should fill in and submit a complaint form. Inquiry can be submitted by unregistered and registered VTIS users.

When an inquiry is submitted by an unregistered user, the answer prepared by the institution will be sent to the email address provided in the inquiry.

When an inquiry is submitted by a registered user, the answer prepared by the institution will be provided in VTIS portal. VTIS portal also allows the registered user to submit additional information, to provide answers to the questions, to review the final answer provided by the institution. The consumer can login to VTIS through E-government Gateway.

Inquiries are answered by various institutions. If the consumer wishes to receive an answer to the inquiry quickly, the consumer should select the proper institution. If the consumer knows which institution should provide the answer to the inquiry, the institution can be selected from the list. If the consumer does not know, it is possible to select the goods and services sector, and then select the type to which the inquiry belongs. Based on the selection, VTIS will automatically select institution to which the inquiry should be sent.)

- submit application;
- report a suspicious website.

If information is submitted by an authorized VTIS user, he or she can monitor progress of electronic services as well as receive answers and decision by authorities.

On this page, one can get acquainted with VTIS functions, information provided on VTIS portal. In addition, one can search through VTIS training materials. If one cannot find an answer to the questions, it is possible to submit an inquiry. An answer to the inquiry will be sent to the provided e-mail.

Consumer dispute shall be considered and decision on the merits of the dispute shall be made no later than within 90 days from the day when the body for out-of-court settlement of consumer disputes received the documents specified in Article 23(3) of this Law. If the consumer dispute cannot be examined and decided upon due to the grounded reasons, the body for out-of-court settlement of consumer disputes may extend this term for 30 days at the most