

The background of the entire page is a close-up photograph of moss. Several thin, green moss stalks with pointed tips are visible. In the lower center, a single, clear water droplet is perched on a moss stalk. The background is a soft, out-of-focus light blue and white.

created by
in real

**LITHUANIAN ECONOMIC
AND REAL ESTATE
MARKET REPORT
2023-2024**

WITH PARTNERS: SEB, COBALT IR CITYNOW

Image from Pixabay

CONTENT

ECONOMIC OUTLOOK	3
REAL ESTATE MARKET OVERVIEW	9
VILNIUS RESIDENTIAL MARKET	12
KAUNAS RESIDENTIAL MARKET	15
KLAIPĖDA RESIDENTIAL MARKET	18
PALANGA RESIDENTIAL MARKET	21
RENTAL HOUSING MARKET	23
VILNIUS	23
KAUNAS	24
KLAIPĖDA	26
BUSINESS CENTERS IN VILNIUS	28
BUSINESS CENTERS IN KAUNAS	29
BUSINESS CENTERS IN KLAIPĖDA	30
LOGISTICS CENTRES AND WAREHOUSES	31
OVERVIEW OF REAL ESTATE LAW	32
CHANGES IN THE REGULATORY FRAMEWORK	32
LAW ON CONSTRUCTION	32
LAW ON STATE SUPERVISION OF TERRITORIAL PLANNING, CONSTRUCTION AND LAND USE	35
LAW ON TERRITORIAL PLANNING	35
LAW ON LAND	36
CASE LAW	37
THE 10 LARGEST MULTI-FAMILY RESIDENTIAL BUILDING PROJECTS (OR THEIR PHASES) INITIATED IN THE SECOND HALF OF 2023	39
VILNIUS	39
KAUNAS	41
KLAIPĖDA	42
PALANGA	42
DRUSKININKAI	43
THE 4 LARGEST COMMERCIAL REAL ESTATE PROJECTS IN THE SECOND HALF OF 2023	44
THE 2 MOST IMPORTANT PUBLIC INFRASTRUCTURE PROJECTS INITIATED IN THE SECOND HALF OF 2023	45
ABOUT / CONTACTS	46



Tadas Povilauskas, SEB bank economist.

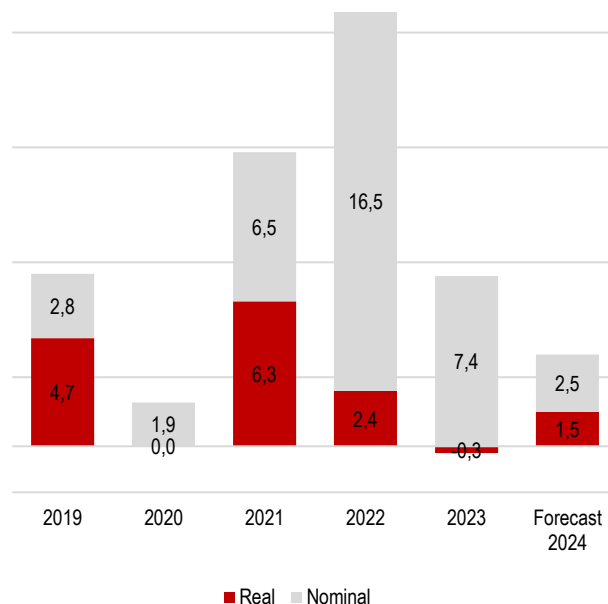
Tadas Povilauskas joined SEB Bank in 2015. With over fifteen years of experience in the finance industry, he is responsible for economic trend analysis, forecasting, and analytical insights at the bank. Through his professionalism, expertise, and deep insights, Tadas Povilauskas contributes to the development of SEB Bank and the enhancement of financial literacy of society. Prior to joining SEB Bank, he worked as an analytical expert in investment banking and grain trading business, gaining in-depth knowledge of capital and commodity markets. Tadas Povilauskas holds a master's degree in Economic Analysis and Planning from Vilnius University.

ECONOMIC OUTLOOK

Last year presented significant challenges for the Lithuanian economy. The country experienced a 0.3% decline in GDP at constant prices, marking the most significant contraction since 2009. While this downturn wasn't entirely unexpected, the economy faced considerable decline, particularly at the beginning of the year. As the months progressed, however, the situation gradually stabilised. Factors such as soaring interest rates, reduced demand for certain exported goods, and the ongoing war in Ukraine left lasting scars on Lithuania's

economic landscape. In 2023, the GDP decline in Lithuania was the same as in Latvia, but significantly lower than in Estonia.

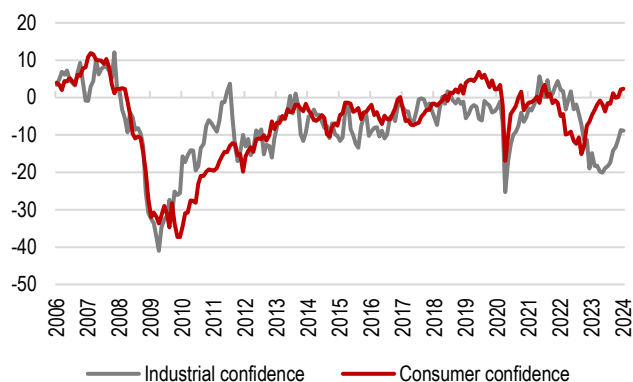
GDP of Lithuania change, YoY (perc.)



Source: State Data Agency

The primary contributor to the country's GDP decline last year was the downturn in the industrial sector. Industrial production, measured at constant prices, experienced a notable decrease of 5.3% in 2023. Particularly affected were manufacturers of wood products, furniture, chemicals, and plastic products. Interestingly, the production of these goods, which had experienced heightened demand during the pandemic, suffered the most significant decline. Furthermore, the decrease in housing construction activity in key export markets also negatively impacted the demand for industrial products. Industrialists faced the most challenging conditions in the first half of the year, with some stabilization observed in the latter half.

Industrial and consumer confidence indices (points)



Source: DG ECFIN

Once again, the advantages of diversification were evident last year. While the production of certain industrial enterprises experienced a decline, others saw rapid growth. For instance, the production of electrical equipment, vehicles, optics, and food products increased, which helped to mitigate the overall decline in industrial output. Moreover, Lithuania's export geography for industrial products is notably more diversified compared to that of Latvia or Estonia. This diversification,

coupled with reduced dependence on exports to Sweden or Finland, played a crucial role in shielding Lithuania from experiencing the export decline witnessed in Estonia.

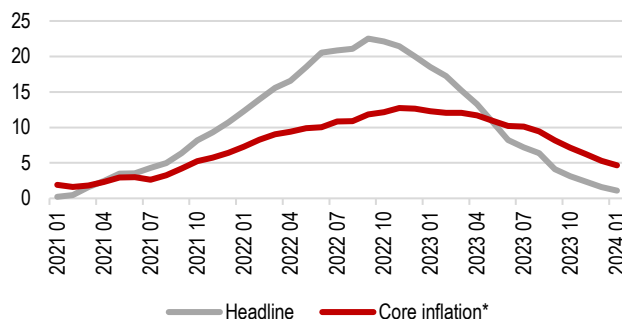
In 2024, industrial production is anticipated to experience a modest increase following last year's decline. Recent indicators of industrial confidence suggest an improvement compared to the previous year. Inventories are decreasing, and companies are slightly more optimistic about production orders. However, the economies of the primary export partners still lack definitive signs of recovery. As a result, a more noticeable rebound in exports is expected to occur in the latter half of the year. This, of course, is dependent upon energy product prices remaining relatively stable and major central banks cutting base interest rates during the summer.

The start of this year brings optimism regarding the prices of energy products. Natural gas prices have declined to levels last observed in early 2021. This, coupled with the availability of cheaper natural gas and biomass, along with the rapid expansion of renewable resource production capacities in Lithuania, is expected to result in a lower average price of electricity in the Lithuanian price zone of the Nord Pool exchange compared to last year. With the implementation of all investment plans for renewable energy production capacity, Lithuania is poised to generate more electricity than its projected demand in the coming years. These developments are anticipated to create more favourable conditions for attracting new investments in industrial companies.

The average annual HICP inflation in 2023 remained historically high, standing at 8.7%. However, inflation weakened considerably as the year progressed, and by the end of the year, it had dropped to less than 2%. Double-digit inflation at the start of the year significantly impacted household consumption costs. Despite initial challenges posed

by high inflation rates, household consumption indicators gradually improved as inflation decreased and approached levels more in line with changes in household income.

Annual Inflation according to HICP in Lithuania (perc.)



*Excluding changes in the prices of energy, food, tobacco products and alcoholic beverages.

Source: State Data Agency

Last year, the turnover of retail trade in Lithuania experienced a modest decrease of 1.2% at constant prices, which was lower than the average decline observed in the European Union. Towards the end of the year, there was already a positive annual change in retail trade in our country, largely attributed to the recovering purchasing power of the households' income. During the year, certain categories of goods performed better than others. Sellers of information and communication equipment, household appliances, and furniture faced challenges, while clothing and footwear traders thrived. These shifts are reflective of ongoing changes in households consumption patterns following the pandemic. Retail sales of food, beverages, and tobacco at comparable prices saw a decline of 4% last year.

This year, the turnover of retail trade at constant prices is expected to increase. However, the growth in turnover at current prices will likely remain very modest due to low inflation.

The anticipated increase in the population's income, outpacing inflation, is expected to have a positive impact on the scale of trade. Additionally, interest rates reached their peak at the end of last year. If expectations of interest rates starting to decrease this year are realized, the burden of higher interest rates on households should no longer increase.

Consumer confidence in Lithuania remains historically very high. In 2023, consumer confidence was the strongest among all European Union countries. These expectations are likely influenced by the relatively stable labour market and this year's government budget, which is favourable to residents. Additionally, proposals for the review of the tax system appear to have stalled in the Seimas, indicating that residents may not anticipate further tax changes until next year.

Last year, companies in the service sector outperformed retailers, albeit slightly. For example, food and beverage supply companies saw a 2.6% increase in turnover compared to the previous year at constant prices. However, the year 2024 presents challenges for this sector, particularly with the reinstatement of the value-added tax (VAT) rate from 9 to 21%. At the beginning of the year, prices of catering services may not increase as much as the VAT rate did. Meanwhile, accommodation service providers saw only marginal improvement compared to the previous year, with a 1.3% increase in the number of overnight stays driven mainly by foreign visitors, while the market experienced a decline in overnight stays by residents as more Lithuanians opted for leisure trips abroad.

As anticipated, the labour market experienced a slight weakening last year, although the shifts were not particularly significant. Unemployment in Lithuania rose from 5.9 to 6.8% over the year. It's worth noting that the labour market indicators were influenced by the flow of migrants from Ukraine and

Belarus that began in 2022. Data from the Migration Department reveals a notable increase of 32,000 foreigners residing in Lithuania throughout the year. Overall, Lithuania's population grew for the second consecutive year, only due to heightened immigration.

Last year, the number of employees in Lithuania nearly matched the record set in 2007, despite a decrease in the country's population by over 350,000 over the past sixteen years. These fluctuations are primarily attributed to immigration, as a significant portion of newcomers are of working age. Furthermore, Lithuania's population continues to age, yet the labour market has succeeded in retaining an increasingly older workforce.

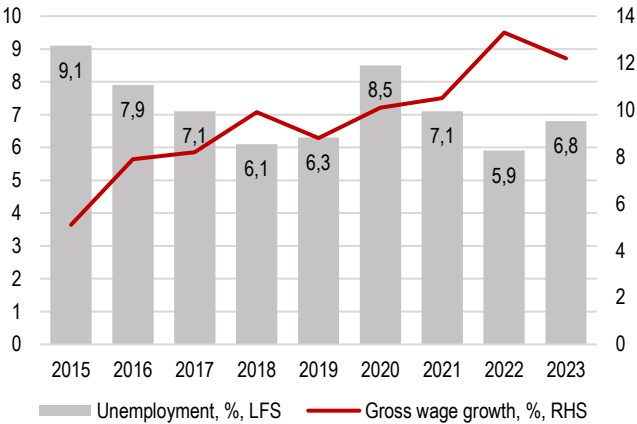
Last year, industrial and trading companies witnessed the most significant decline in employee numbers, reflecting their financial struggles. Conversely, the transport sector experienced rapid employment growth, despite challenges like decreased cargo supply and transportation prices. Lithuanian transport companies gained market share from competitors in Western and Northern European countries. While the IT sector saw a slowdown in employment growth, it appears to be stabilizing after years of rapid expansion. However, the creation of new jobs in business service centres showed considerably slower growth compared to previous years.

We anticipate that unemployment this year will likely remain similar to last year. The increased number of vacancies observed at the end of last year compared to the previous year suggests that the labour market situation is unlikely to undergo significant changes shortly.

Last year, the average wage before taxes in Lithuania surged by 12.2%, and wages after taxes increased by 11.1%. This marked the fourth consecutive year of double-digit growth in the national average wage. The substantial rise in wages was

primarily driven by a 15% annual increase in the minimum monthly wage, while growth in wages in the public sector outpaced those in the private sector. These trends indicate that businesses allocated financial resources to increase wages, aiming to remain competitive in attracting and retaining employees. Moreover, real wages, which reflect changes in the purchasing power of average wages, experienced positive growth last year, as the average annual inflation rate was more modest compared to the increase in average wages.

Labor market variables



Source: State Data Agency

We anticipate that in 2024, the average wage before taxes in Lithuania will increase by 8.5%, representing a slower growth rate compared to the previous year. This year, the minimum monthly wage is expected to see a more modest increase than last year. While the public sector's average wage may grow by approximately 10%, the private sector is likely to experience more modest increases. Given our forecast of a 2% average annual inflation rate in Lithuania this year, the real growth in wages is expected to be historically strong. Inflation is expected to have the most significant positive impact on service prices, which are projected to increase by around 5%.

Conversely, the annual change in energy and food prices is anticipated to be slightly negative.

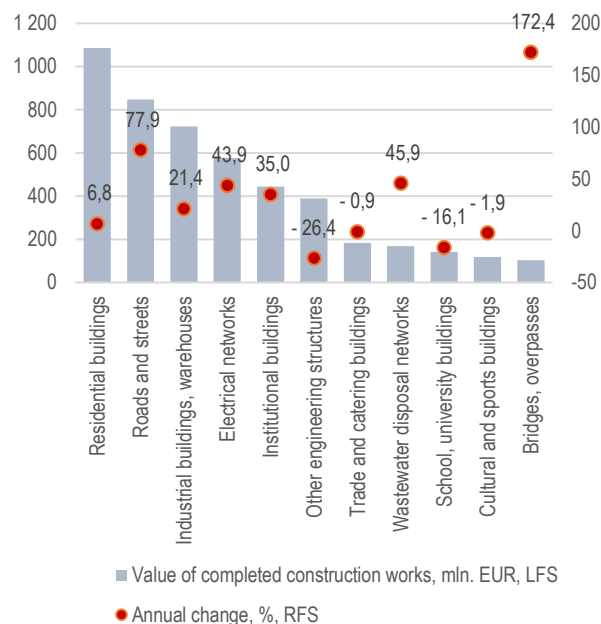
In 2023, deposits of Lithuanian residents increased by 5.8%, surpassing the growth rate of 2022. This growth was primarily driven by the decrease in the prices of imported energy resources and increased savings by individuals. However, corporate funds in credit institutions remained stagnant due to minimal annual increases in corporate debt and rising interest expenses. Despite concerns, companies increased investments compared to the previous year, leading to higher outflows from accounts. Investments in tangible fixed assets in the country soared by 22% in 2023 at the prices of that time. Notably, private companies alone invested 15% more than the year before. Significantly, investments increased not only in buildings but also in equipment and machinery. While such rapid investment growth is not expected to continue this year, substantial investments by energy companies and those financed by the European Union will prevent a significant decline in overall investment levels.

Up until September of last year, the European Central Bank (ECB) had been rapidly increasing base interest rates. Subsequently, the interest rate for commercial bank deposits held at the Central Bank stood at 4%. We anticipate that the ECB's first decision to reduce base interest rates is not long away, with the deposit facility interest rate likely approaching 3% by the year's end. However, there is a considerable risk that the interest rate may be lowered more slowly than our forecast suggests. Lower interest rates are eagerly anticipated by both residents and businesses. Should they occur, it is expected to have a positive impact on the real estate market activity, which is among the most awaited events of the year.

In 2023, completed construction works saw a positive surprise. At constant prices, there was an 11.9% increase in completed

projects in Lithuania compared to last year. The largest positive influence on such a result was the 20.5% increase in the construction volume of engineering structures. This is mostly attributed to increased investments in the infrastructure of transport and electricity networks. There was also significant growth in the construction of non-residential buildings, which increased by 8.7%. Despite this, the volume of construction of residential buildings experienced a slight decline of 0.4%. This decline can be attributed to the completion of construction works on projects initiated in 2021 and 2022, during a period when the housing market landscape was notably different.

Annual change in the volume of construction works at comparative prices (perc.)



Source: State Data Agency

This year, the construction volume of engineering structures is expected to remain relatively stable, while less construction

activity is projected for non-residential and residential buildings. This trend is evident in the notable decrease of one-third in the number of housing units under construction observed last year. However, if demand for housing in the primary market rebounds more swiftly than anticipated, this could potentially have a positive impact on the construction sector in the latter half of the year.

In 2024, we anticipate a modest recovery with a forecasted growth of 1.5% in Lithuania's real GDP. This growth is expected to be primarily driven by the recovery in household consumption. However, geopolitical events continue to pose significant threats to our growth projections.



Tomas Sovijus Kvainickas, *Head of Investment and Analysis at INREAL Group.*

Tomas Sovijus Kvainickas is a real estate analyst specializing in data analysis and calculation models, responsible for the search and evaluation of investment opportunities for INREAL Group, as well as providing advice to clients and commentary to the media on real estate market issues.

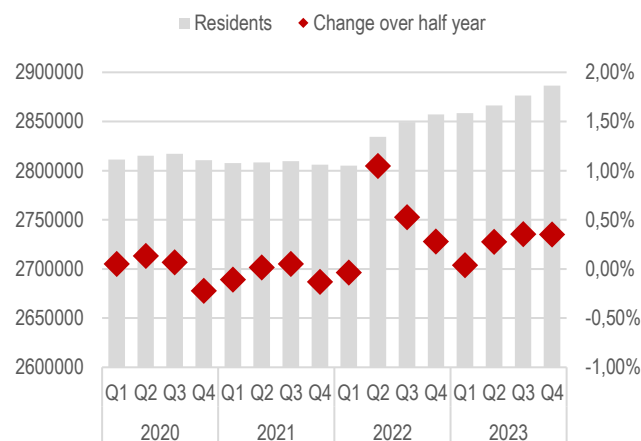
The commercial real estate components were prepared with the participation of INREAL real estate brokers: Rokas Rudys (Vilnius), Gediminas Dranginis (Kaunas), and Algimantas Švanys (Klaipėda).

REAL ESTATE MARKET OVERVIEW

Demographics play a crucial role in shaping the real estate market. Without population growth, even the most favourable economic environment will not generate significant demand for new housing stock. Certainly, the desire to enhance quality of life persists, but the depreciated value of older housing units acts as a deterrent to purchasing new construction housing. Similarly, this principle applies to commercial real estate. However, it's worth noting that the shortage of stock in this segment can arise not only from population growth but also from changes in business or work organisation models.

The population in the capital has been steadily growing for many years, driven by both internal and external migration, as well as re-immigration. Even before 2022, the population of Kaunas also saw an increase, partly attributed to the escalation of the war in Ukraine. However, the overall number of permanent residents in the country began to rise a couple of years ago, with a significant portion of this growth attributed to war refugees from Ukraine.

Number of permanent residents in Lithuania



Source: State Data Agency

According to preliminary data from the State Data Agency, the number of permanent residents in the country increased by 1% to reach 2,886,515 in 2023. While the reasons for this increase are not encouraging, given the prolonged duration of the war, there is a growing probability that more of these individuals will choose to remain in Lithuania after its conclusion.

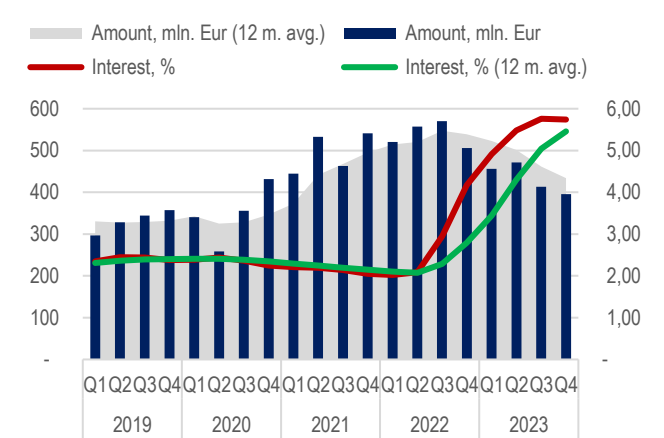
Housing loan indicators over the past year and a half show a decline in market activity and one of its causes. In the second half of 2022, real new housing loans amounted to approximately EUR 809 million, down 12.9% from the first half of the year (EUR 928 million) and 24.9% less than the same period in 2021 (EUR 1,076 million). The primary reason for this decline is the decrease in housing affordability, driven in part by the rise in housing loan interest rates. The variable part of the interest rate of the loan (6-month Euribor) surged from negative to 2.7% in 2022 and further increased to 3.9% by the end of 2023, resulting in an increase in the interest rate on loans from 2 to 4%, respectively. Although this figure remained below the hypothetical interest rate of 5% used to calculate loan amounts as per responsible lending regulations, by 2023, with continued increases in Euribor and overall interest rates (nearing 6%), this limit was surpassed. Anticipated interest rate decreases in 2024 are expected to stimulate market activity.

The decline in loan volumes is also evident in the dynamics of residential property transactions. In 2023, the total number of sale transactions for residential premises amounted to 30,557. This marks the second-lowest number of transactions in the past decade, with only 2015 recording fewer transactions (29,860).

The decrease in the number of transactions isn't only recorded in the overall market but it's also evident in the number of transactions of new construction residential premises. This decline was partly influenced by the results of 2022, during

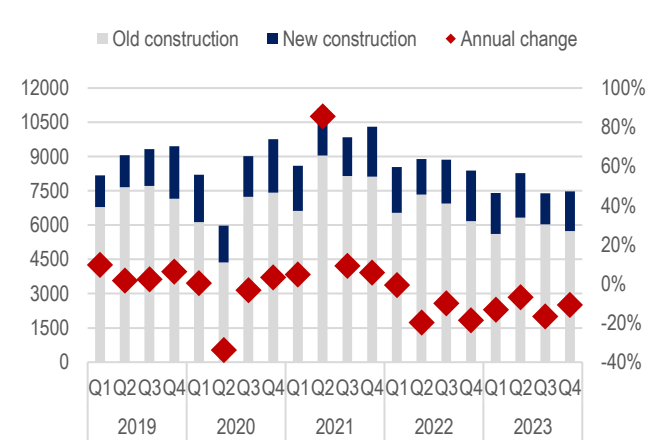
which buyers purchased fewer housing units in projects still under construction. In 2024, we anticipate an increase in the number of transactions for new construction premises, as the primary market declines. This shift will likely enable more homebuyers to purchase already-built housing units, without the usual delays associated with buying units still under construction.

Real new mortgages (EUR) and interest (perc.)



Source: Bank of Lithuania

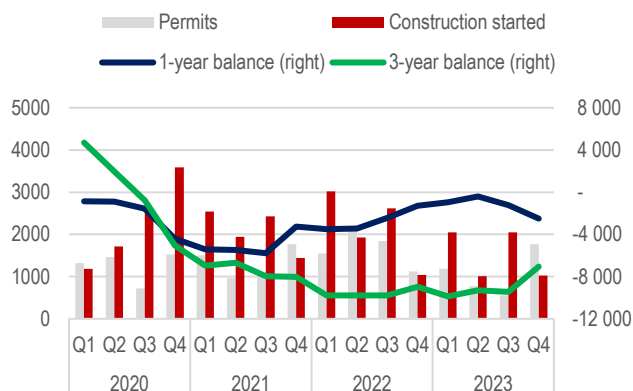
Number of sale transactions of residential premises in Lithuania



Source: SE Centre of Registers

The supply potential remains relatively unchanged, with buyers having something to choose from as building permits are still being issued in the short term. However, between 2022 and 2023, Vilnius alone experienced a loss of one year's worth of sales, estimated at 4,000 to 5,000 housing units. The existing supply of housing in the capital is similar, but due to the methodology's continuity, INREAL also includes reserved housing units in the supply indicators, constituting about 20% of the total. Therefore, the actual supply may not be sufficient even for potential buyers who have deferred their plans for a more favourable time. When calculating the ratio of issued permits and started construction of housing units in multi-apartment buildings, a deficiency is evident when assessing periods of both one and several years. While it is doubtful that the lack of supply would lead to significant increases in sale prices, which could again create affordability issues, the market would rebalance, this time favouring sellers.

Number of issued building permits and initiated construction of residential apartments in Lithuania (units)



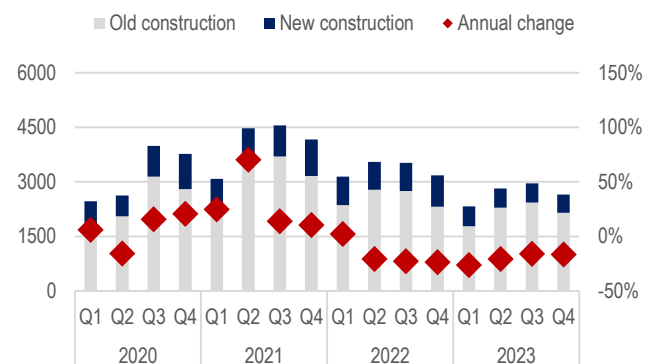
Source: State Data Agency

In 2023, a total of 10,757 residential buildings were sold, marking a decrease of 19.7% compared to 2022 (13,389). The most significant decline in transactions was observed in the

segment of new construction buildings, which saw a one-third decrease (2,109 and 3,195 respectively). Conversely, sales volumes of old construction buildings decreased by half as much (8,648 and 10,194, respectively).

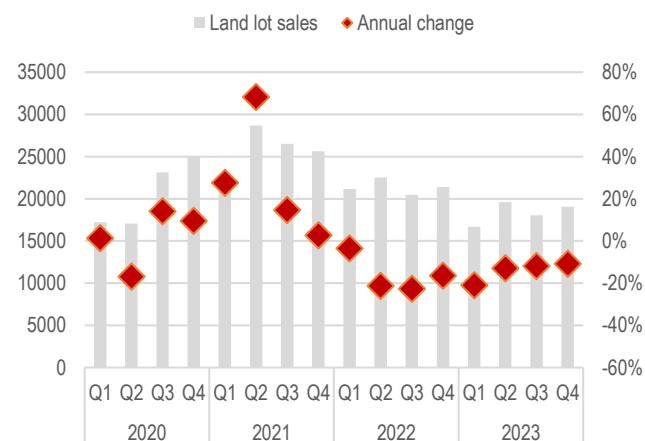
Additionally, the land plot market contracted by 14.1% during the year, dropping from 85,517 transactions in 2022 to 73,422 transactions in 2023.

Number of sale transactions of residential buildings in Lithuania



Source: SE Centre of Registers

Number of sale transactions of land lots in Lithuania



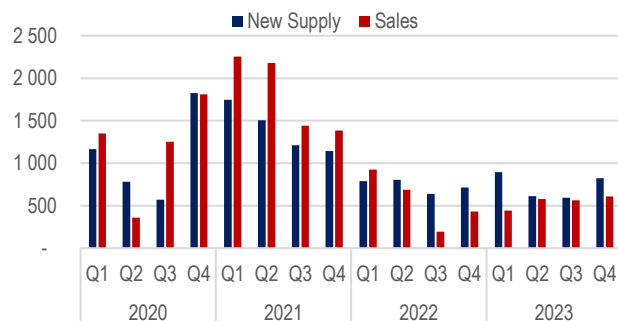
Source: SE Centre of Registers

VILNIUS RESIDENTIAL MARKET

In the first half of 2023, INREAL added 1,419 new properties to Vilnius's housing market monitoring, a 6% decrease from the previous half-year (1,505) but a 5% increase from a year earlier (1,352). In the latter half of 2023, 1,171 housing units were sold, showing a 15% increase from the previous half-year (1,018) and an 88% increase from the same period in 2022 (623).

Forecasts for 2024 suggest rising sales volumes due to rising wages and declining interest rates. However, predicting changes in supply is challenging. On one hand, market activity is gradually growing, and further growth is anticipated. On the other hand, a similar level of supply was recorded before the pandemic. Therefore, the incentive to increase supply based solely on expectations is not high. Additionally, the need to accommodate German soldiers and families in the coming years may shift developer focus from development to sales.

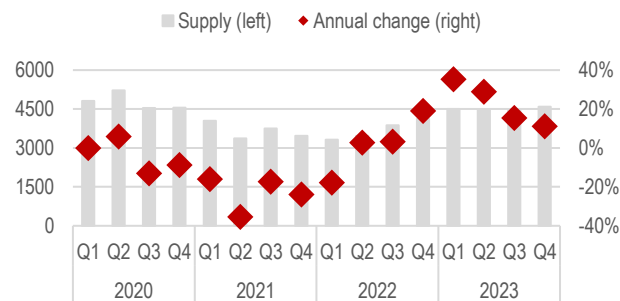
New housing supply and sales in Vilnius (units)



Source: INREAL

At the end of 2023, INREAL recorded 4,587 properties within the capital's primary market supply, with roughly a fifth of them already reserved. This figure represents a 3% increase from mid-2023 and an 11% increase from the year's end in 2022 (4,125).

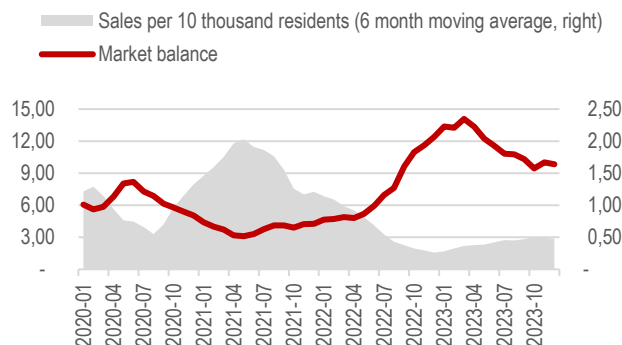
Supply in the primary housing market in Vilnius (units)



Source: INREAL

In the latter half of 2023, the market balance index value normalised, dropping from 1.93 to 1.64 within six months. Although still indicative of a buyer's market, evidenced by both direct and indirect price discounts offered by developers to homebuyers, it is anticipated that this year, this indicator will align within the limits of a balanced market (0.75 - 1.25). Additionally, a relative increase in transaction volume was observed during this period, climbing from 2.53 to 2.89.

Primary housing market balance index in Vilnius

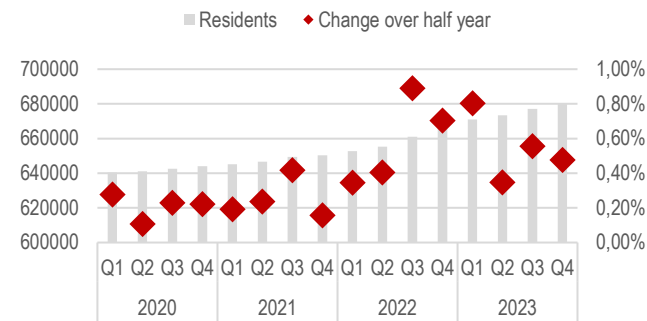


Source: INREAL

According to data from the Vilnius Territorial Health Insurance Fund (THIF), the population in Vilnius grew by approximately 1% over six months, rising from 673,406 to 680,358.

Throughout the year, the population experienced a growth rate exceeding 2%. Upon analysing the correlation between market activity and population growth, it becomes apparent that a compressed demand spring phenomenon may be emerging, for which the market might not be sufficiently prepared, particularly if greater focus is directed towards accommodating German soldiers, potentially leading to delays in launching new projects.

Residents registered in healthcare facilities in Vilnius



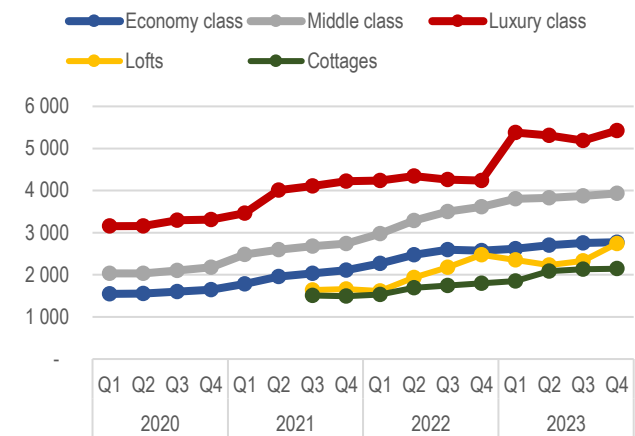
Source: Vilnius THIF data

In the second half of 2023, housing prices in Vilnius's primary market experienced slight increases. Economy-class housing prices saw a rise of 2.6%, from 2,704 to 2,774 EUR/sq. m. Middle-class properties followed with a 2.9% increase, from 3,824 EUR/sq. m. to 3,933 EUR/sq. m. Luxury housing prices also increased by 2.2%, from 5,307 to 5,425 EUR/sq. m. Cottages similarly saw a price rise of about 2.8%, from 2,086 to 2,144 EUR/sq. m. The loft segment stood out with a jump in prices by 22.9%, from 2,231 to 2,741 EUR/sq. m. However, this segment is characterized by distinct structural changes, attributable to a limited sample of projects and diverse locations within the city.

When evaluating existing housing prices in the market supply (excluding new projects that added to the supply in the

observed month), there was virtually no significant change noted. Price increases and decreases were similar. The formal increase in prices was mainly due to objective factors like infrastructure development, taxation of development on state land, and energy class requirements. Despite the formal increase in prices, buyers could compensate them through indirect discounts and gifts offered by developers.

Average housing prices by class in Vilnius (EUR/sqm)



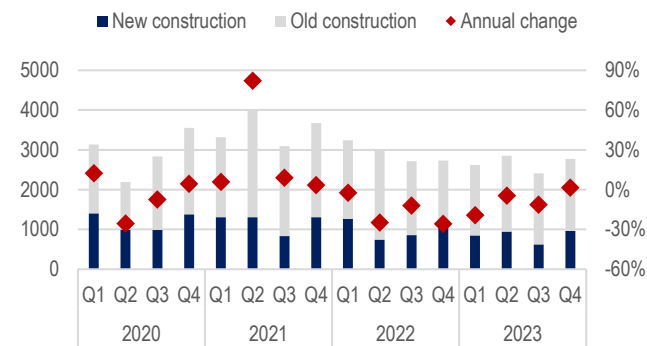
Source: INREAL

In the second half of 2023, 5,177 residential properties were sold in Vilnius, marking a 5.4% decline from the first half (5,474) and a 5% decrease from the same period last year (5,449). The third quarter notably saw reduced activity, with transactions of new construction properties dropping by a third. This decline reflects decreasing activity in the primary market (both developers and buyers) since 2021. With the existing housing supply increasing, transactions involving new construction are expected to rise in line with the results of the primary market.

In the latter half of 2023, 660 residential buildings were sold in Vilnius (264 new construction housing, 396 old construction

housing). This indicates a 6.3% decrease from the previous half-year (704: 299 new construction housing, 405 old construction housing). Additionally, it reflects a 17.7% decline compared to the same period in 2022 (802: 345, 457).

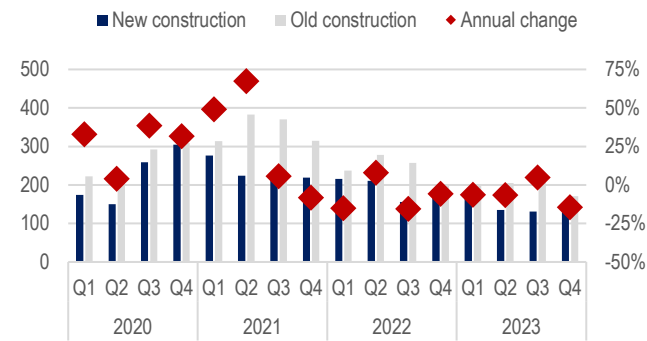
Registered apartment transactions in Vilnius (units)



Source: SE Centre of Registers

Within the segment of individual houses, no distinct price trend was observed. It’s important to note that pricing within this real estate category is highly contingent upon factors such as supply structure, location, and class. Even two houses situated side by side can differ significantly in price.

Residential buildings transactions in Vilnius region (units)

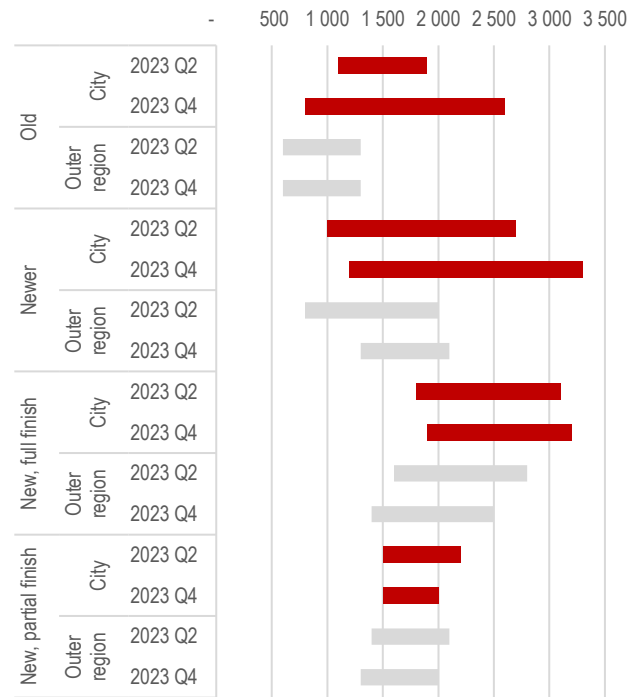


Source: SE Centre of Registers

Between mid- and end-2023, there was a notable expansion in the typical price range for older construction houses within the city area, increasing from 1,100-1,900 to 800-2,600 EUR/sq. m. Outside the city boundaries, prices for older construction houses remained unchanged, maintaining a range of 600-1,300 EUR/sq. m.

In the Vilnius region, the price range for newer homes witnessed an expansion. Within the city limits, prices rose from 1,000-2,700 to 1,200-3,300 EUR/sq. m., while in the surrounding region, they increased from 800-2,000 to 1,300-2,100 EUR/sq. m.

Residential houses asking prices in Vilnius region (Eur/sqm)



Source: INREAL

For new homes with full finishing within the city limits, prices increased from 1,800-3,100 to 1,900-3,200 EUR/sq. m. Conversely, in the surrounding region, prices decreased from 1,600-2,800 to 1,400-2,500 EUR/sq. m.

Prices for homes with partial finishing experienced a slight decrease, from 1,500-2,200 to 1,500-2,000 EUR/sq. m., within the city limits, and from 1,400-2,100 to 1,300-2,000 EUR/sq. m. outside the city boundaries.

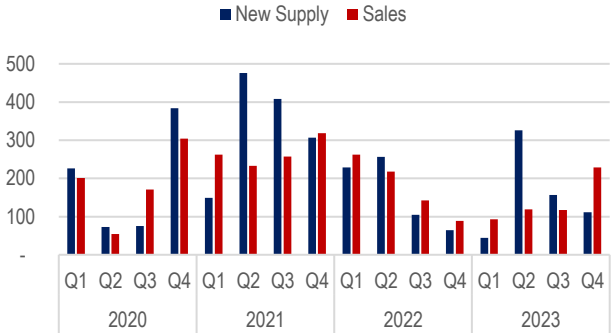
KAUNAS RESIDENTIAL MARKET

In the second half of 2023, INREAL added 268 new properties to their monitoring of Kaunas’s primary housing market, marking a 27.6% decrease from the first half (370) but a 58.6% increase from the same period in 2022 (169). The total sales indicator reached 346, showing a two-thirds increase from half a year ago (212) and a one-and-a-half increase from a year ago (231). When evaluating the change in the total number of transactions, Kaunas demonstrates stronger market recovery compared to the capital city, although the total number of transactions remains lower in Kaunas, both in overall volume and transactions per 10,000 residents, compared to Vilnius.

With more homes sold than newly offered to the market, the supply decreased by approximately 10% during the half-year period, from 1,365 to 1,229. By the end of 2023, the supply was approximately 1.8% lower than a year ago (1,251).

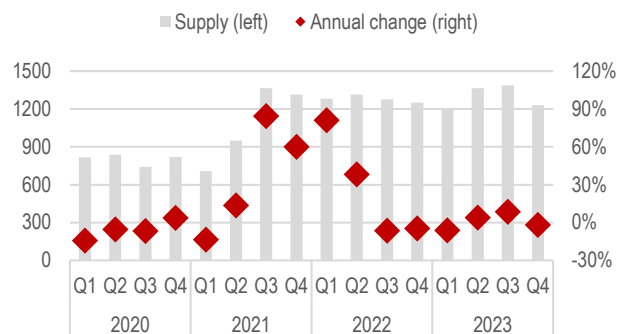
Among all three major cities, the temporary capital ended the year with the most sustainable market balance index value of 1.46 (considered balanced within the range of 0.75 - 1.25). It’s expected that the indicator will reach a balanced value this year.

New housing supply and sales in Kaunas (units)



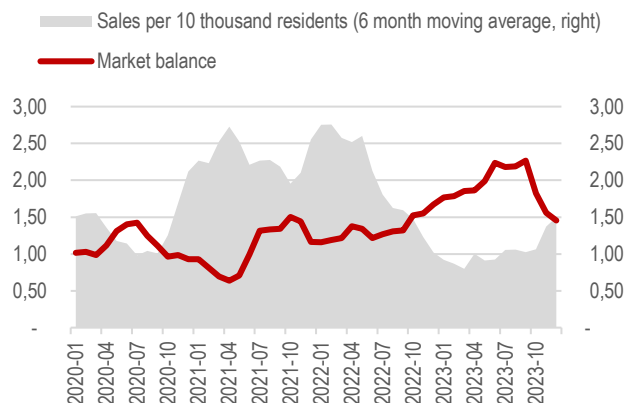
Source: INREAL

Supply in the primary housing market in Kaunas (units)



Source: INREAL

Primary housing market balance index in Kaunas



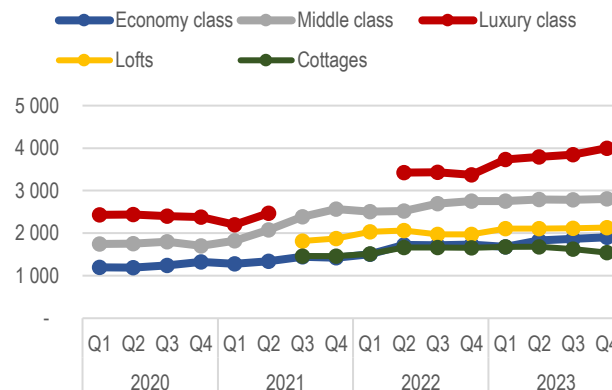
Source: INREAL

Housing price fluctuations in Kaunas were slightly more pronounced compared to Vilnius. This was influenced by both INREAL's methodology (where reserved housing units are considered part of the supply) and the characteristics of projects in Kaunas. In Kaunas, as much as 40% of monitored supply objects are marked as reserved, whereas in Vilnius, this figure is around 20%. Consequently, some housing prices remain "frozen" in the past, and when they are eventually marked as "sold," it significantly impacts the supply structure.

While moderate price growth did not distort the data too much, the noticeable price changes in 2021-2022 had a more significant effect. As the pace of price growth slows down in 2023, it is expected that supply prices will normalise in 2024.

In the latter half of 2023, the price of economy-class housing increased by 4.2%, from 1,826 to 1,903 EUR/sq. m., while middle-class housing saw a 0.4% increase, from 2,794 to 2,805 EUR/sq. m. Luxury housing prices rose by 5.4%, from 3,796 to 4,000 EUR/sq. m. Lofts' prices increased by 1.1%, from 2,109 to 2,132 EUR/sq. m., while the prices of cottages decreased by 8.1%, from 1,681 to 1,544 EUR/sq. m.

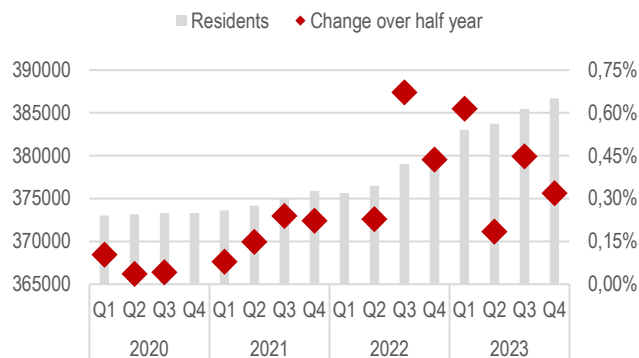
Average housing prices by class in Kaunas (EUR/sqm)



Source: INREAL

According to THIF data, the population of the temporary capital has been steadily increasing since 2018, with a growth of 2,951 (0.8%) from 383,741 to 386,692 in the latter half of 2003. However, it's essential to highlight that this change is not straightforward. While a growing population typically indicates greater demand for housing and commercial real estate, it's crucial to exercise caution in interpreting the continuity of this change as the escalation of the full-scale war in Ukraine has significantly accelerated population growth.

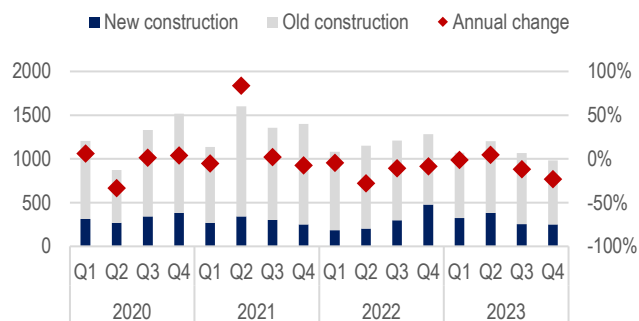
Residents registered in healthcare facilities in Kaunas



Source: Kaunas THIF data

During the latter half of 2023, 2,049 residential premises were sold in Kaunas, representing a decline of 9.8% from the previous half-year (2,271) and a decrease of 17.7% compared to the same period in 2022 (2,491). The number of transactions decreased in both the third and fourth quarters.

Registered apartment transactions in Kaunas (units)



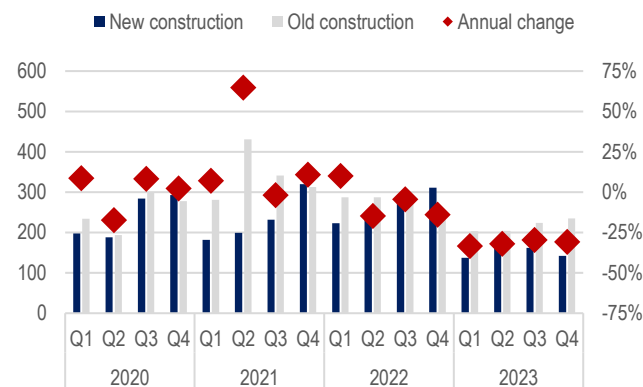
Source: SE Centre of Registers

Despite the overall decline in market activity, Kaunas maintains its status as the capital for individual houses. In the latter half of 2023, 763 residential building transactions were completed (304 new construction housing, 459 old construction housing). This marks an 8.1% increase from the first half of the year (706:

299 new construction housing, 407 old construction housing). However, it represents a decrease of 30.2% compared to the same period in 2022 (1,093: 587, 506).

In the second half of 2023, price increases for residential housing units were more prevalent within the city limits, while they experienced a slight decrease outside the city boundaries.

Registered residential buildings transactions in Kaunas (units)



Source: SE Centre of Registers

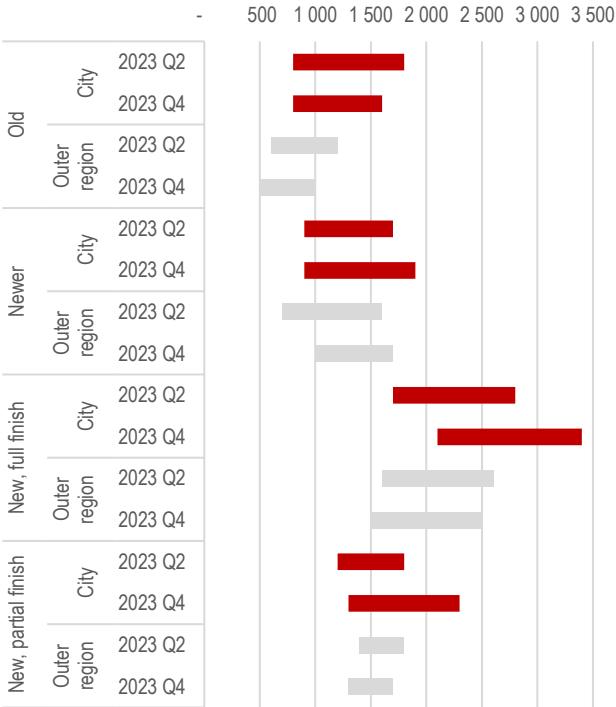
From mid-to-late 2023, the typical price range for old construction housing units within the city area decreased from 800-1,800 to 800-1,600 EUR/sq. m. Outside the city boundaries, prices similarly fell from 600-1,200 to 500-1,000 EUR/sq. m.

The prices of newer construction housing units have increased from 900-1,700 to 900-1,900 EUR/sq. m. within the city limits, and from 700-1,600 to 1,000-1,700 EUR/sq. m. outside the city boundaries.

For new homes with full finishing, prices increased within the city area, rising from 1,700-2,800 to 2,100-3,400 EUR/sq. m., whereas outside the city, they decreased from 1,600-2,600 to 1,500-2,500 EUR/sq. m.

Similarly, prices for new construction homes with partial finishing also increased, ranging from 1,200-1,800 to 1,300-2,300 EUR/sq. m. within the city limits. Conversely, outside the city boundaries, prices decreased from 1,400-1,800 to 1,300-1,700 EUR/sq. m.

Residential houses asking prices in Kaunas region (Eur/sqm)



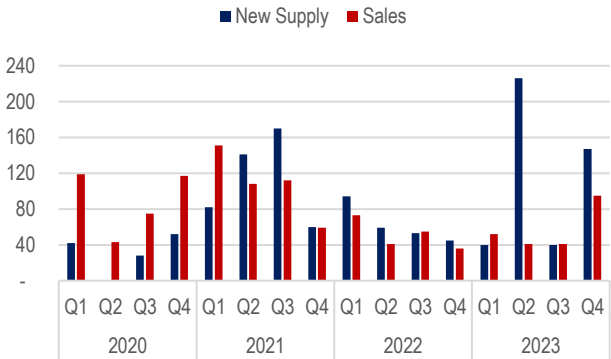
Source: INREAL

KLAIPĖDA RESIDENTIAL MARKET

In the second half of 2023, INREAL monitored 187 new properties in Klaipėda’s primary housing market, marking a 29.7% decrease from the first half of 2023 (266) but almost double the number from the same period in 2022 (98).

Cumulative sales in the second half of 2023 reached 136, nearly one and a half times higher than the previous half (93). With Klaipėda experiencing both population growth and an expanded housing supply, it remains to be seen whether this increased supply will enhance the attractiveness of the port city, both for residents from other cities and for Klaipėda residents who had previously favoured individual residential houses outside the city boundaries.

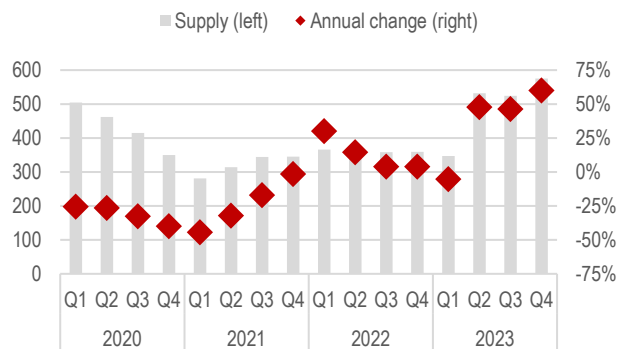
New housing supply and sales in Klaipėda (units)



Source: INREAL

Supply continued to grow in the second half of 2023. Within 6 months, the number of available housing units increased from 532 to 575, i.e. by 8.1%, and it was 60.2% more than at the end of 2022 (359). Similar to Kaunas, over 40% of the available housing listed on Klaipėda project websites is marked as “reserved,” resulting in a smaller real choice for buyers and slightly higher prices.

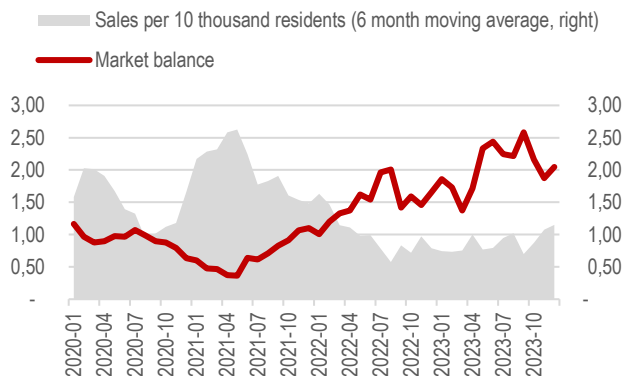
Supply in the primary housing market in Klaipėda (units)



Source: INREAL

Positive changes were observed in the market balance index during the latter half of 2023, with its value decreasing from 2.44 to 2.04. Although this value remains the highest among the three major cities in Lithuania, its previous surge was predominantly influenced by the rapid increase in supply. As buyers purchased newly introduced homes from developers, the balance index shifted towards a more balanced market.

Primary housing market balance index in Klaipėda

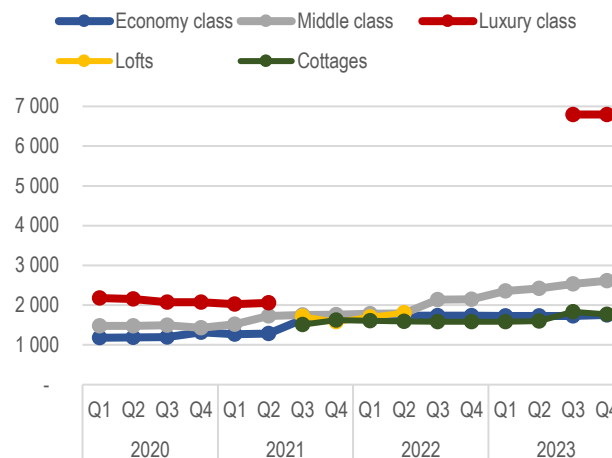


Source: INREAL

Housing prices in Klaipėda's primary market exhibited uneven changes in the latter half of 2023. The price of economy-class

housing increased by 1.7%, from 1,725 to 1,754 EUR/sq. m., while middle-class housing saw an increase of 7.9%, from 2,423 to 2,614 EUR/sq. m. In the cottage segment, a price increase of 10.6% was recorded, from 1,600 to 1,769 EUR/sq. m. After including a small amount of luxury properties in the observations, the price of this segment reached 6,796 EUR/sq. m.

Average housing prices by class in Klaipėda (EUR/sqm)

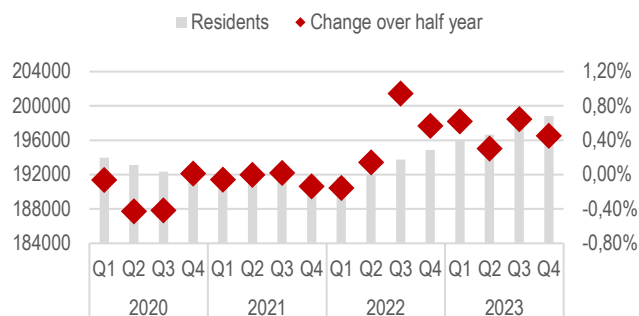


Source: INREAL

According to THIF data, the number of residents in Klaipėda experienced a growth of approximately 1.1% during the second half of 2023, rising from 196,665 to 198,822. This marks the fastest population increase among the three major cities. However, similar to Kaunas, it's essential to consider that this positive population trend coincided with the influx of war refugees from Ukraine. While Ukrainian citizens may not currently constitute the primary target group of buyers, their settlement in the port city presents opportunities for Klaipėda residents. They may consider purchasing new housing for investment purposes (such as rental properties) or for their own residence while renting out their existing homes. This is

very likely, especially considering the anticipated increase in housing supply, which has been expected for several years and is likely to continue growing in the future.

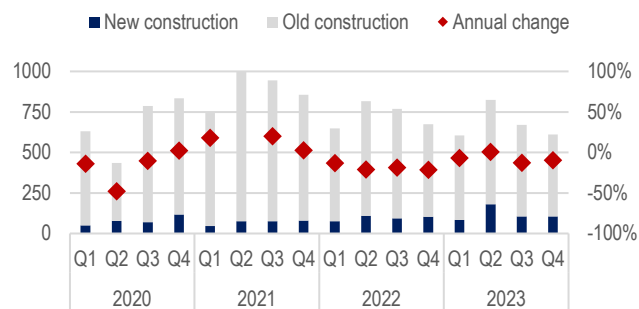
Residents registered in healthcare facilities in Klaipėda



Source: Klaipėda THIF data

During the second half of 2023, 1,282 residential premises were sold in Klaipėda, marking a 10.3% decrease from the previous half-year (1,430) and an 11.2% decline compared to 2022. The new construction segment stood out slightly as its sales accounted for 211 premises, down 20.1% from the first half of the year but up 7.1% from the same period in 2022. However, sales of old construction apartments (1,071) decreased compared to both the previous half-year (1,166) and the same period in 2022 (1,246).

Registered residential premises transactions in Klaipėda (units)

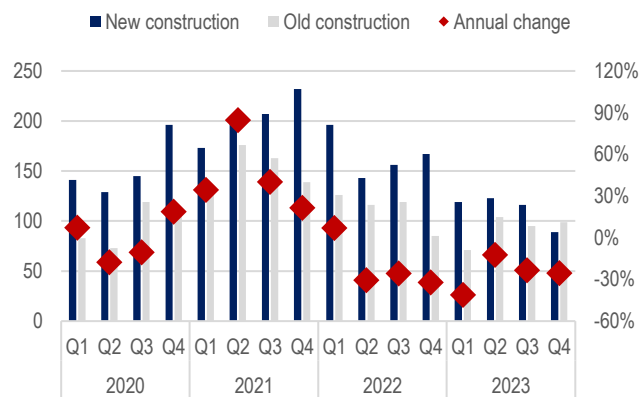


Source: SE Centre of Registers

Throughout the latter half of 2023, residential building sales decreased to 399 transactions (205 new construction housing, 174 old construction housing). This marks a 4.3% decline compared to the previous half-year (417: 242 new construction housing, 175 old construction housing), as well as a decrease of 24.3% compared to the same period in 2022 (527: 323, 204).

Given that the market of the Klaipėda region is the smallest among the three major cities, new supply doesn't always suffice to establish a reliable price range, especially for housing units within the city.

Registered residential buildings transactions in Klaipėda (units)



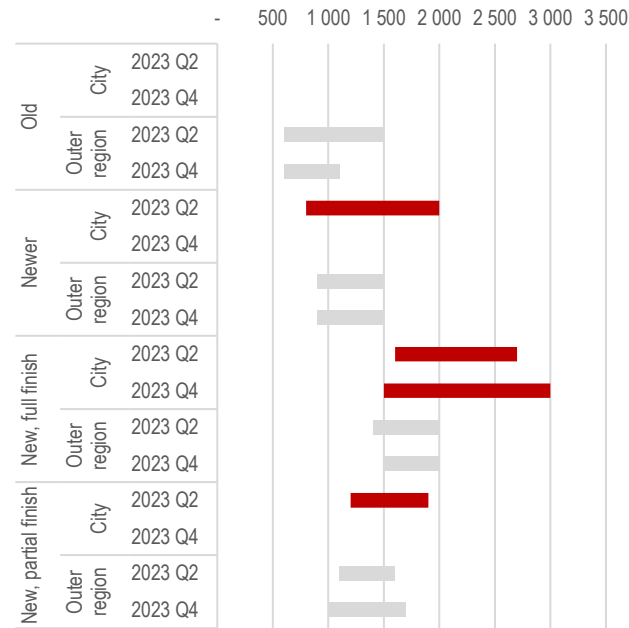
Source: SE Centre of Registers

In the Klaipėda region, the price of old construction residential houses has experienced a slight decrease over the past six months, from 600-1,500 to 600-1,100 EUR/sq. m. Houses of newer construction outside the city boundaries have maintained their price range, staying within 900-1,500 EUR/sq. m.

Within half a year, prices of new construction houses within the city have increased from 1,600-2,700 to 1,500-3,000 EUR/sq. m. Similarly, outside the city boundaries, prices have seen a slight increase, from 1,400-2,000 to 1,500-2,000 EUR/sq. m.

The price range of houses with partial finishing in the Klaipėda region has slightly widened, expanding from 1,100-1,600 to 1,000-1,700 EUR/sq. m. However, there were too few sales within the city limits to name a reliable price range.

Residential houses asking prices in Klaipėda region (Eur/sqm)

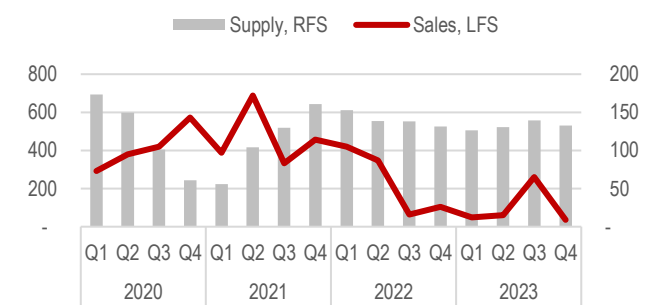


Source: INREAL

PALANGA RESIDENTIAL MARKET

The primary housing market in Palanga saw sluggish sales entering 2024. Sales slightly improved in the third quarter, reaching pre-pandemic levels at 65 total transactions. However, they dropped again in the fourth quarter to below-normal levels, recording only 9 transactions. This fluctuation is attributed to reduced accumulated demand for second homes from the previous buying frenzy (2020-2022) and challenges with increased prices and borrowing options preventing the formation of a new wave of active buyers. There is no doubt that the market will recover, but it is difficult to predict whether it will happen in 2024. The peak interest in this housing is typically seen during the summer months, which limits the window for purchasing power to increase. However, the supply remains relatively stable, with 522 vacant or reserved housing units at the end of the first half of the year, and 531 at the end of the second half. While lower than pre-pandemic levels, this figure is deemed sufficient for gradual market recovery.

Primary market supply and demand in Palanga (units)

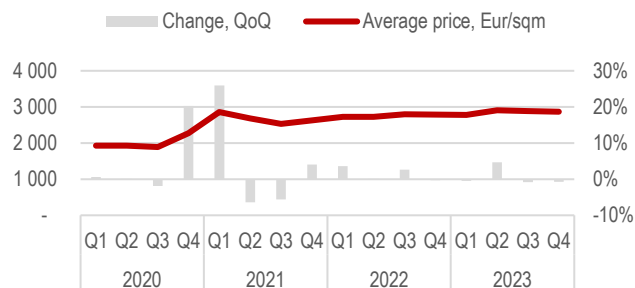


Source: INREAL

In the second half of 2023, the primary housing market saw no significant price changes. In the third quarter, prices experienced a slight decrease of about 1%, from 2,907 to 2,883 EUR/sq. m. A symbolic price decrease also occurred in the fourth quarter, with prices dropping to 2,863 EUR/sq. m.

Such marginal changes in prices are unlikely to encourage purchasing housing for resale, indicating that buyers seeking second homes for personal use will dominate soon.

Average supply prices in newly developed projects in Palanga (EUR/sqm)

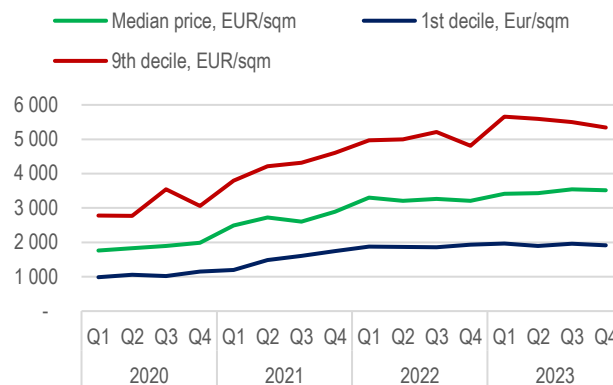


Source: INREAL

Examining prices of already furnished apartments (both in the primary and secondary markets), the market witnessed increased activity in the third quarter. The median price rose by approximately 3.2% during this period, from 3,434 to 3,543 EUR/sq. m. Following the end of the season, prices continued to rise by 0.8%, reaching 3,514 EUR/sq. m. Within half a year, the price range narrowed, with the 1st and 9th price deciles shifting from 1,892–5,594 EUR/sq. m. to 1,913–5,341 EUR/sq. m.

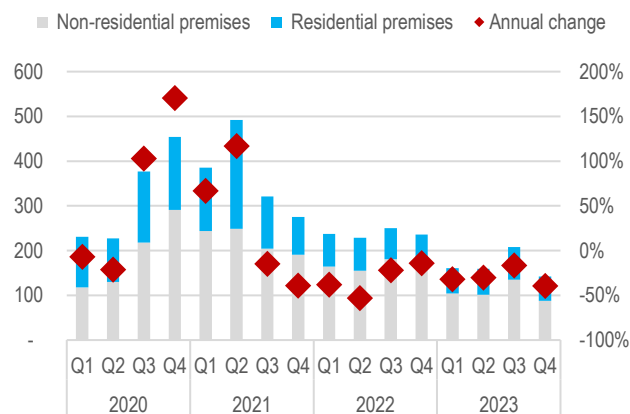
The surge in activity during the third quarter is also evident in the statistics published by the State Enterprise Centre of Registers regarding older constructions (over 2 years old). A total of 208 residential and non-residential premises were sold during this period, one-quarter more compared to the second quarter (159). However, only 142 premises were sold during the fourth quarter. Overall, 350 older construction premises were sold in the second half of the year, representing a 9% increase compared to the first half (320), but a 28% decrease compared to the same period in 2022 (486).

The average housing prices in Palanga on real estate listings websites (EUR/sqm)



Source: INREAL

Registered transactions of old premises in Palanga (units)



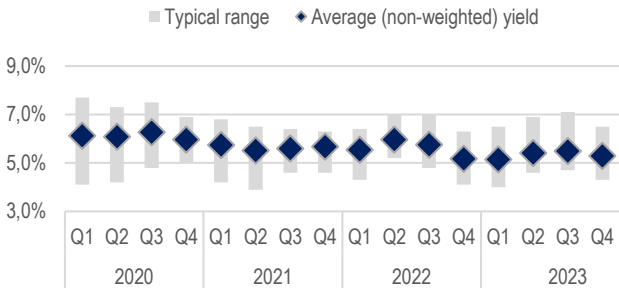
Source: SE Centre of Registers

RENTAL HOUSING MARKET

VILNIUS

Throughout 2023, housing sales prices remained stable, placing a significant emphasis on rental income yield as a determining factor. In the first half of the year, the rental income yield of apartments in Vilnius stood at 5.4%. It increased slightly to 5.5% at the onset of the rental season but declined to 5.3% in the fourth quarter. For tenants, the most favourable rent-to-sale price ratio continues to be observed in the segment of larger and more attractive housing units. Conversely, the lower commercial attractiveness of housing built during the Soviet era leads to higher yields for landlords.

Residential gross rental income yield in Vilnius

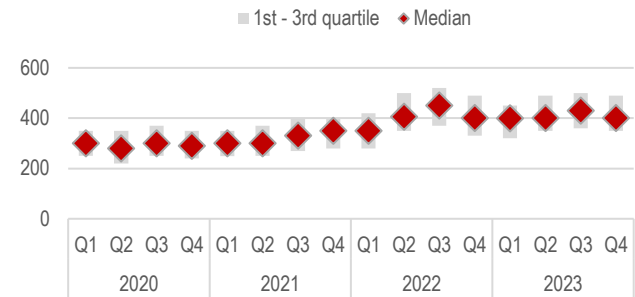


Source: INREAL

Fluctuations in yield directly impact rental prices. In the third quarter of 2023, the median rental price for 1-bedroom apartments increased by approximately 7.5%, from 400 to 430 EUR/month. However, this remained about 4.4% lower than the same period in 2022 (450 EUR/month). In the fourth quarter, reduced demand, as students and young professionals had already secured housing for the new rental season, resulted in a 7% price drop, bringing prices back to the levels observed at the end of 2022 and the middle of 2023 (400

EUR/month). In the second half of 2024, the rental price range remained stable, spanning from 350 to 490 EUR/month.

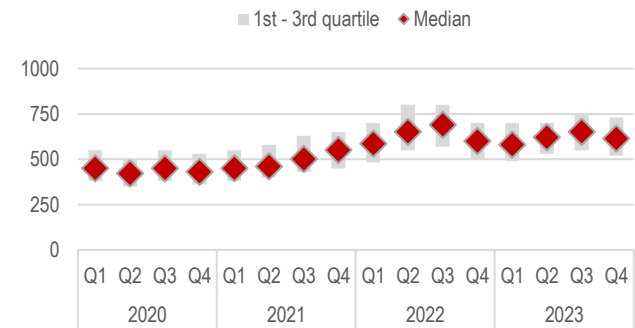
1 room apartment rental prices in Vilnius (Eur/month)



Source: INREAL

In the third quarter of 2023, there was a slight increase in prices recorded in the segment of 2-bedroom apartments as well. At the beginning of the rental season, the median price increased by about 4.8%, from 620 to 650 EUR/month. However, in the fall, it decreased to 613 EUR/month. The widening of the rental price range was also significant for tenants: in the second half of the year, the spread of prices in the 1st and 3rd quartiles increased from 530-700 to 520-730 EUR/month, although the decrease in the 1st quartile was symbolic.

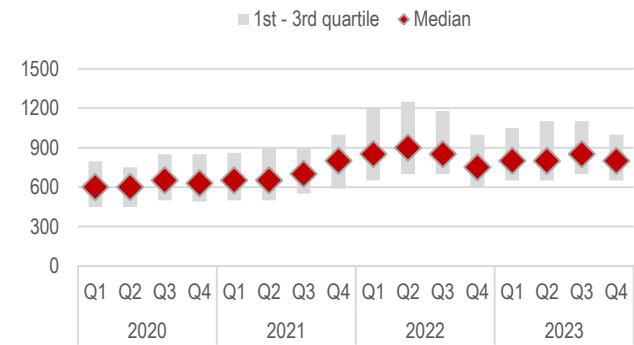
2 room apartment rental prices in Vilnius (Eur/month)



Source: INREAL

A slight decrease in rental prices also occurred in the segment of 3-bedroom apartments. In the third quarter, the median price increased by 6.3%, from 800 to 850 EUR/month. However, by the end of the year, it returned to the initial level. Meanwhile, the rent price range slightly narrowed in the second half of the year, from 650-1,100 EUR/month to 650-1,000 EUR/month.

3 room apartment rental prices in Vilnius (Eur/month)

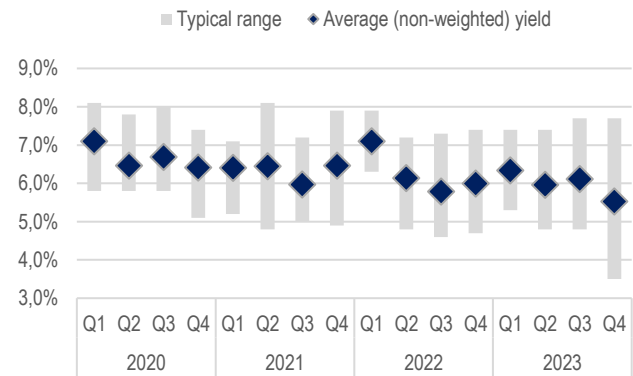


Source: INREAL

KAUNAS

The apartment rental market in Kaunas is smaller compared to the capital, making profitability indicators less reliable, especially in the 1-bedroom apartment segment. The average rental income yield increased symbolically from 6.0% to 6.1% in the third quarter of 2023 but declined to an unusual 5.5% in the fourth quarter, primarily due to decreased yields in larger 3-bedroom apartments, notably in the Old Town segment, where the rate dropped to less than 4%, even lower than that of similar properties in Vilnius. These fluctuations are associated with structural differences in sales and rental supply across comparable periods, more pronounced in smaller markets. However, as Kaunas grows and introduces more appealing projects, annual yields in certain segments will gradually decrease, approaching levels seen in the capital city. This will happen both due to the growth of the attractiveness of the city (and accordingly, the reduction of risks) and due to the competition within the housing market.

Residential gross rental income yield in Kaunas

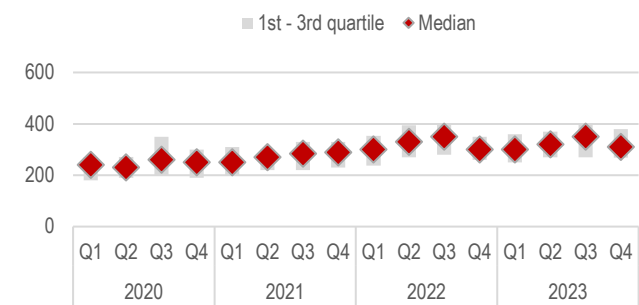


Source: INREAL

The dynamics of rent prices for 1-bedroom apartments in the temporary capital closely mirrored that of Vilnius. In the third

quarter of 2023, they surged by 9.1%, from 320 to 349 EUR/month. However, after the onset of the heating season, they contracted to 310 EUR/month, aligning with the average observed in the second half of 2022 and the first half of 2023. Throughout the second half of 2023, the price range experienced slight changes, shifting from 270-370 to 268-380 EUR/month.

1 room apartment rental prices in Kaunas (Eur/month)



Source: INREAL

In the segment of 2-bedroom apartments, the changes were minimal, with prices showing more continuity compared to 1-bedroom apartments. The median price experienced a symbolic change from the end of the second quarter, increasing from 475 to 480 EUR/month, and remained stable until the end of the year. Similarly, the price range also remained unchanged, reaching 400-550 EUR/month in the middle of the year. It only saw a slight increase to 400-570 EUR/month in the third quarter.

The rent prices for 3-bedroom apartments stood out the most. Their median price in the middle of 2023 was 599 EUR/month. In the third quarter, it decreased to 550 EUR/month and reached 590 EUR/month by the end of the year. The lower price limit (1st quartile) also decreased evenly, from 488-700 EUR/month to 450-700 EUR/month. These changes could have been influenced by both structural adjustments and

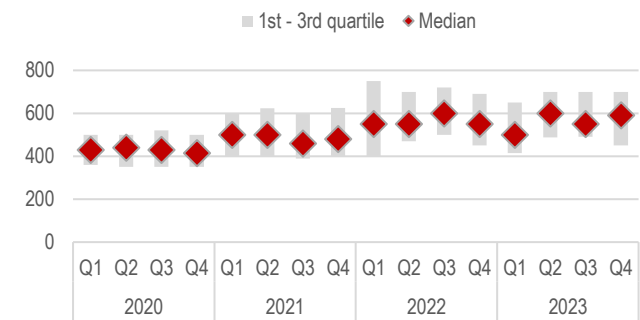
competition within the housing market as Kaunas generally offers better affordability compared to the capital, and its rental income yield is higher.

2 room apartment rental prices in Kaunas (Eur/month)



Source: INREAL

3 room apartment rental prices in Kaunas (Eur/month)



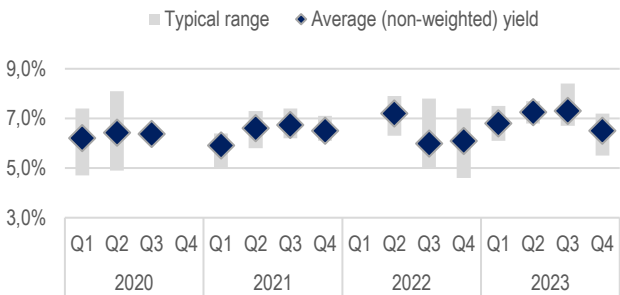
Source: INREAL

KLAIPĖDA

The contraction of rental income yield was also observed in Klaipėda. In mid-2023, the typical yield range averaged 7.3%, remaining unchanged in the third quarter but decreasing to 6.5% by the end of the year. Despite being one of Lithuania's three major cities, the rental market in Klaipėda is relatively smaller, with structural changes significantly impacting price indicators.

Apartment income yield in Klaipėda remains higher than in Vilnius or Kaunas, mainly due to fewer housing transactions. While housing affordability is relatively better, residents are not rushing to buy, giving landlords opportunities to increase prices. However, in 2021 and 2022, rapidly growing rental prices may have prompted residents to consider homeownership, even with higher interest rates. It's noteworthy that Klaipėda's population has been growing, with war refugees also contributing to this growth, driving the need for new housing stock.

Residential gross rental income yield in Klaipėda



Source: INREAL

Apartment rental price trends in Klaipėda mirror those in other major cities. However, the segment of 1-bedroom apartments in the port city stands out due to its lower price range and the influence of market size on its structure. In the third quarter of

2023, the median price surged by 16.7%, rising from 300 to 350 EUR/month, but declined to 290 EUR/month by the end of the year. Throughout the second half of the year, the price range narrowed from 260-370 to 250-348 EUR/month, impacting the decrease in yield to maintain rental attractiveness compared to buying.

1 room apartment rental prices in Klaipėda (Eur/month)



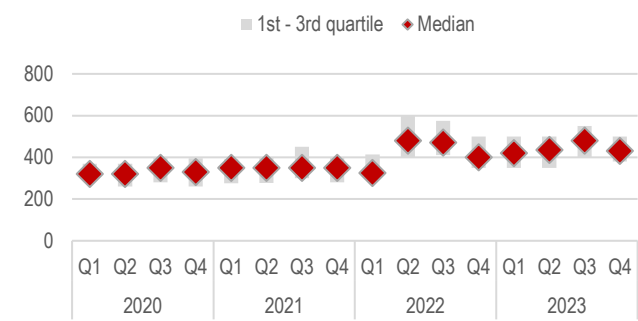
Source: INREAL

In the third quarter of 2023, there was a notable increase in median rent prices for 2-bedroom apartments. At the beginning of the rental season, prices surged by 10.3%, from 435 to 480 EUR/month. However, they reverted to the pre-season level of 430 EUR/month in the fall. The price range remained relatively stable over the six months, starting at 350-500 EUR/month at the beginning of the second half of the year, and narrowing slightly to 380-500 EUR/month by the end. Additionally, the annual rental income yield of Soviet-era 2-bedroom apartments decreased from 6.8% to 6.5% over the six months.

In the second half of 2023, the dynamics of rent prices for 3-bedroom apartments in Klaipėda differed from those in the 1- or 2-bedroom segments. There was a notable decrease in prices in both the third and fourth quarters. The median rental price decreased by 9.2% in the middle of the year, from 650 to 590 EUR/month. After the start of the heating season, it further declined by another 6.8% to 550 EUR/month. The typical price

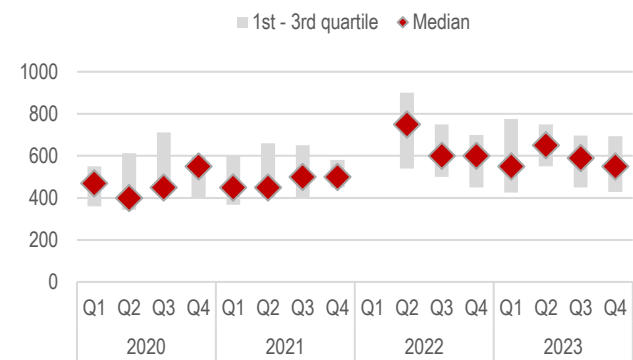
range of monitored properties also decreased over half a year, contracting from 550-750 EUR/month to 428-693 EUR/month.

2 room apartment rental prices in Klaipėda (Eur/month)



Source: INREAL

3 room apartment rental prices in Klaipėda (Eur/month)



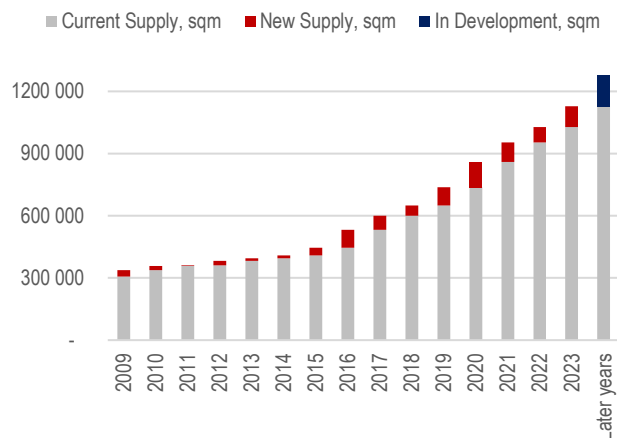
Source: INREAL

BUSINESS CENTERS IN VILNIUS

In 2023, approximately 100,000 sq. m. of leasable area were added to the supply of office spaces (*Cyber City, Kintų 11, K22, Artery, Flow, Lietuvos draudimas HQ, Sky Office*). Moreover, in the coming years, the market is expected to be supplemented by at least 150,000 sq. m.

A significant number of new projects in various stages of planning are set for development in the central part of the capital, known as the Central Business District (CBD), which is gradually filled with residential projects, creating a complex urban district.

Development of modern business centers in Vilnius (sq m)



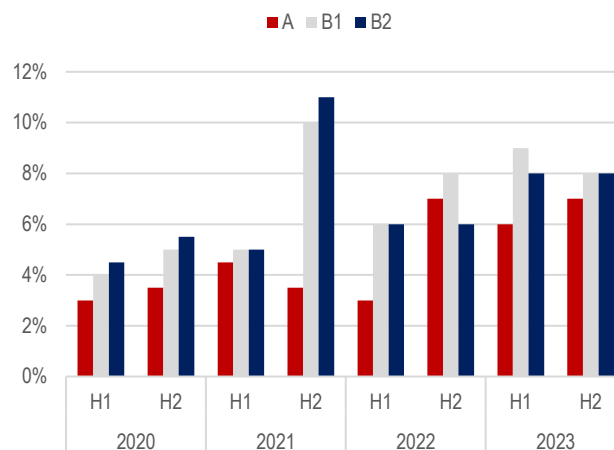
Source: INREAL

Vacancy rates by the end of 2023 were approximately 6% for A-class business centres, and 8% each for B1- and B2-class centres.

In the latter half of 2023, office rental prices remained relatively stable, ranging from 16 to 20 EUR/sq. m. for A-class, 13 to 15 EUR/sq. m. for B1, and around 10 EUR/sq. m. for B2. In some instances, discounts or improved conditions could be expected

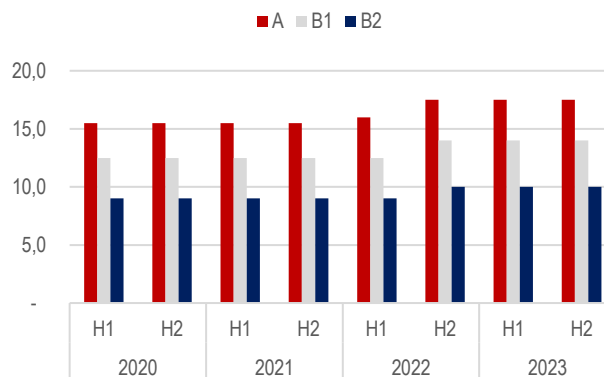
during office rental negotiations.

Vacancy of business centers by class in Vilnius



Source: INREAL

Rental prices of business centers in Vilnius

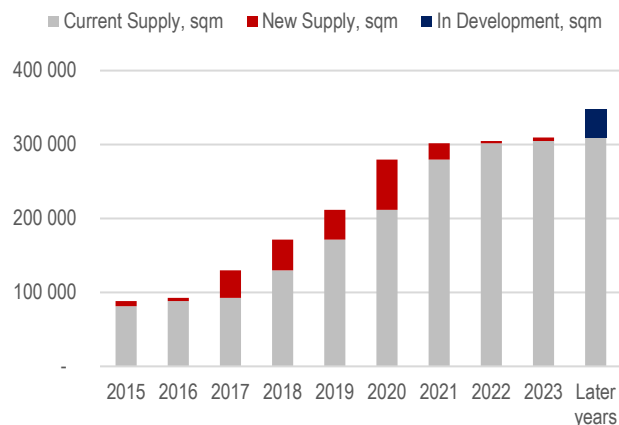


Source: INREAL

BUSINESS CENTERS IN KAUNAS

In recent years, Kaunas has seen limited office development, with a significant increase of almost 40,000 sq. m. expected in 2024 or later.

Development of modern business centers in Kaunas (sq m)

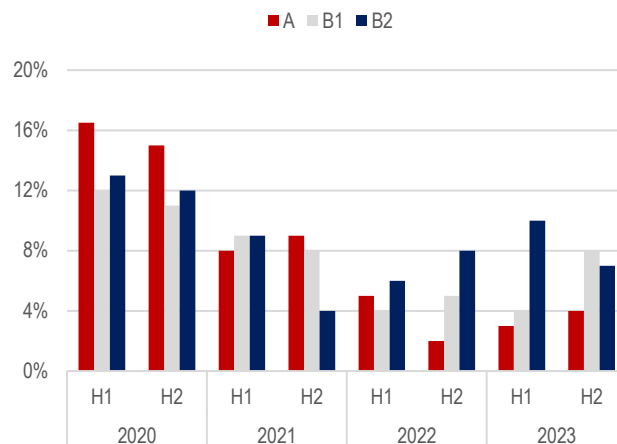


Source: INREAL

According to data from INREAL, vacancy rates in Kaunas' business centres saw a slight increase by the end of 2023 but remained low, with approximately 4% vacancy in A-class centres, 8% in B1, and 7% in B2.

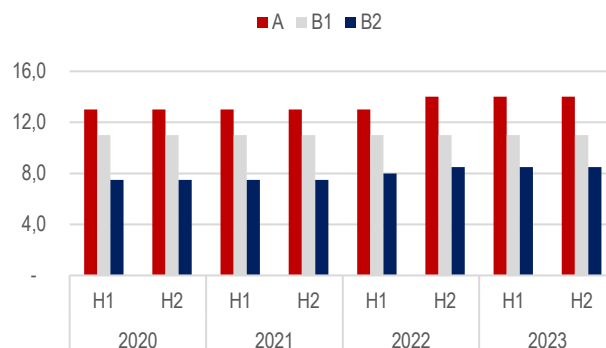
Similar to the situation in the capital, rental prices for business centres in Kaunas remained stable during the second half of 2023, attributed to the surge in prices at the end of 2022 due to the apparent impact of annual inflation. Rental prices range from 12 to 15 EUR/sq. m. for A-class spaces, 9 to 12 EUR/sq. m. for B1, and around 8 to 9 EUR/sq. m. for B2. However, tenants have gained more bargaining power in negotiations.

Vacancy of business centers by class in Kaunas



Source: INREAL

Rental prices of business centers in Kaunas

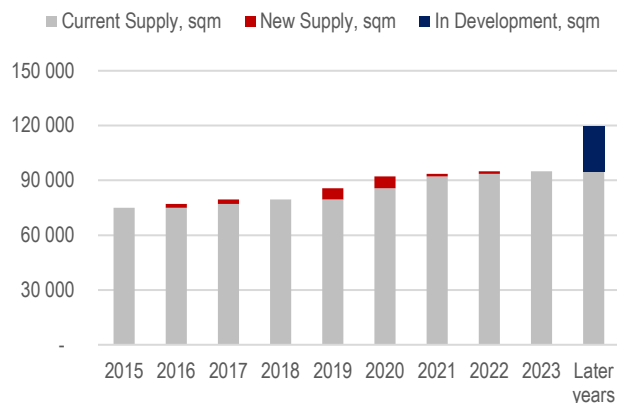


Source: INREAL

BUSINESS CENTERS IN KLAIPĖDA

The development of new projects in Klaipėda remains slow. However, over the next few years, there are plans to develop approximately 25,000 sq. m. of new office space, with a significant portion located in the *Mėmelis Business Centre* and the *Tech Zity Klaipėda* buildings.

Development of modern business centers in Klaipėda (sq m)

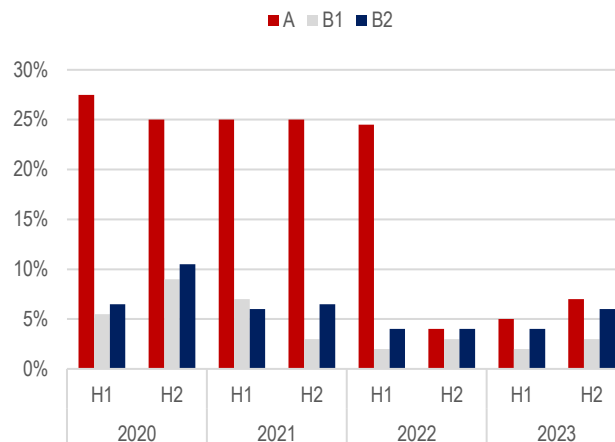


Source: INREAL

Due to limited office space supply, vacancy rates saw slight changes, reaching about 7% in A-class centres, 3% in B1, and 6% in B2 by the end of 2023.

Rental prices remained stable throughout the second half of 2023, with A-class premises ranging from 10 to 12 EUR/sq. m., B1-class from 7 to 11 EUR/sq. m., and B2-class spaces from 5 to 7 EUR/sq. m. However, similar to other major cities in the country, tenants could anticipate discounts or favourable conditions when negotiating new leases.

Vacancy of business centers by class in Klaipėda



Source: INREAL

Rental prices of business centers in Klaipėda



Source: INREAL

LOGISTICS CENTRES AND WAREHOUSES

In the latter half of 2023, a slight increase in the vacancy of storage facilities was observed, reaching about 3% in the Vilnius region, and approximately 4% in Kaunas and Klaipėda.

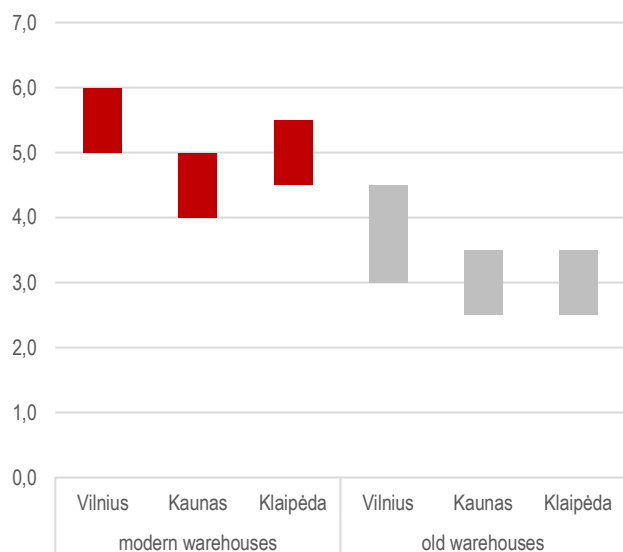
While not high, these rates indicate tenant flexibility without waiting for new premises to be constructed.

Although no significant price changes occurred, tenants have gained slightly more bargaining power in negotiations with landlords seeking to fill vacant warehouse space.

Rental prices for new and newer construction storage facilities rose to 5.0-6.0 EUR/sq. m. in the Vilnius region, 4.0-5.0 EUR/sq. m. in Kaunas, and 4.5-5.5 EUR/sq. m. in Klaipėda.

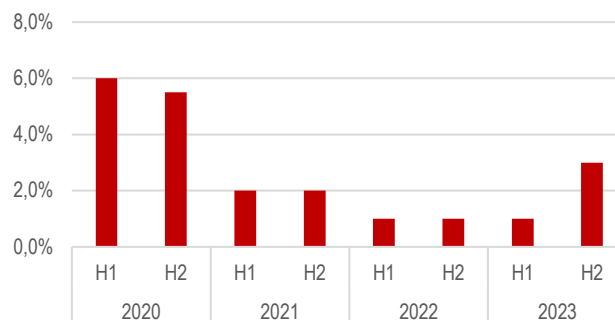
Older construction premises in the Vilnius region could be leased for 3-4.5 EUR/sq. m., while in Kaunas and Klaipėda, they were available for 2.5-3.5 Eur/sq. m.

Rental prices for warehouse space (EUR/sqm)



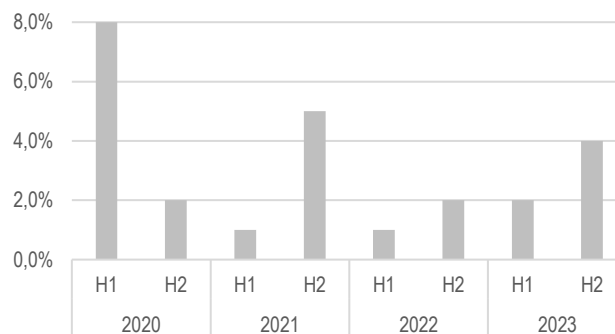
Source: INREAL

Vacancy rate for modern warehouses in Vilnius (%)



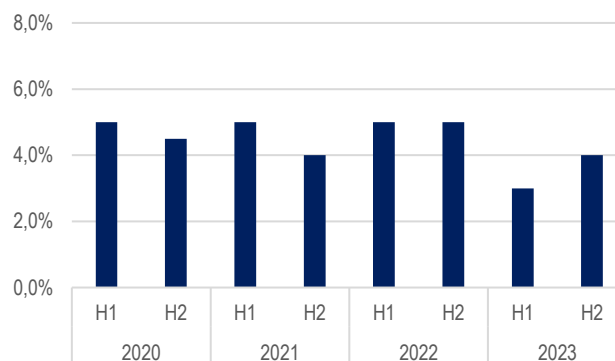
Source: INREAL

Vacancy rate for modern warehouses in Kaunas (%)



Source: INREAL

Vacancy rate for modern warehouses in Klaipėda (%)



Source: INREAL



Artūras Kojala, COBALT Partner in the Real Estate and Infrastructure Department

Artūras Kojala is a Partner in the Real Estate and Infrastructure Department. Mr Kojala brings over 14 years of experience in the areas of real estate, logistics, business development and waste management matters. Prior to joining COBALT, he practiced at one of the leading law firms in the Baltics, advising major local and international companies. Mr Kojala has also spent a number of years working for MAXIMA LT, Lithuanian retail market leader. Mr Kojala holds a Master's degree in Law from Mykolas Romeris University and Master's degree in Management from European University Business School.

Gabija Darčkutė, Assistant lawyer

Gabija Darčkutė an assistant lawyer in the Real Estate and Infrastructure practice group. Gabija is studying at Vilnius University, Faculty of Law.

Dainius Timukas, Assistant lawyer

Dainius Timukas an assistant lawyer in the Real Estate and Infrastructure practice group. Dainius is studying at Vilnius University, Faculty of Law.

OVERVIEW OF REAL ESTATE LAW

CHANGES IN THE REGULATORY FRAMEWORK

LAW ON CONSTRUCTION

The Law on Construction continues to draw significant attention from legislators, underscoring its pivotal role in shaping the real estate market landscape. We would like to highlight some of the key changes that we believe will have the greatest impact on the market, most of which will come into force on 1 November 2024. The following are the main changes that will enter into force on 1 November:

- With the amendments to the Law on Construction, we will transition from the existing three-stage design process (design proposals, technical and working design) to a two-stage approach consisting of design proposals and technical working design (concept development). The issuance of the document permitting construction will now occur following the completion of the design proposal stage (in cases where a document permitting construction is not required, the design documentation of the structure may be

prepared in a single stage, in the form of a technical working design). According to the authorities, this will alleviate bureaucratic and administrative burdens, which will lead to a shorter design process and help avoid redundant inspections by municipalities and other governing bodies. The fact that the document permitting construction will be issued after the design proposals have been agreed implies that the scope of the document will expand and the document will become more detailed. This means that developers will have to allocate more resources when submitting this document for both publicity and institutional approval. As a result, if the design proposals are not approved during the publicity procedures or later during the institutional coordination (a situation not uncommon), the changes will be more extensive in scope. Consequently, developers will incur higher costs, both in terms of time and financial resources.

- The composition of the essential architectural requirements for a structure has been adjusted. From now on, these requirements will not only be provided for in the Law on Construction, but also in Article 11 of the Law on Architecture. The abstract requirement for a structure to fit in with the landscape will be replaced in the Law on Construction by a mandate for structures to adhere to the "architectural quality criteria" provided for in the above-mentioned Article of the Law on Architecture and will be in force as of 1 May (the amendments to the Law on Architecture are coming into force on 1 May). Starting from the enactment of the above-mentioned legal norm, these requirements will encompass the following: compliance with the principles of sustainable development, urban coherence, preservation of heritage values, environment for all, cost-effective solutions, innovativeness, functional

design, preservation of architectural integrity, and aesthetic considerations.

The current wording of the Law on Construction, which requires the structure to be in harmony with the landscape and does not delineate any further criteria, undoubtedly grants inspecting authorities significant leeway in construing this provision. Once the amendments come into force, it is to be hoped that the architectural quality criteria outlined in the Law on Architecture will mitigate the element of subjectivity that is often encountered in assessing technical design solutions. Furthermore, it is important to highlight that the Minister of Environment is mandated to approve, by 30 April 2024, a methodology for assessing the architectural quality, which will set out the ways and means of assessing the quality of architecture in accordance with the listed criteria for the architectural quality, while taking into account the aspects of the assessment of each criterion.

According to the initiators of the amendment, this legal act will create a clearer and more transparent system for assessing the quality of architecture, which will be readily known in advance to all parties involved in the design or territorial planning processes. The amendments to the Law on Architecture also mandate municipal councils to draw up guidelines for the application of the methodology in a particular municipality by 31 December 2024, taking into account the peculiarities of urban structures and architectural objects features specific to the territories or their parts, aligning with the solutions of the territorial planning documents and the statutory requirements. It is to be hoped that the political authorities will duly fulfil their obligation and that the assessment of technical design

solutions through the prism of the architectural requirements of the structure will be more effective and transparent.

- At the stage of issuing special architectural requirements, the Chief Architect of the municipality, when drafting special architectural requirements and, if deemed necessary for obtaining additional information, will have the opportunity to engage public for consultation in order to identify the requirements that best embody the quality of the structure and its surrounding environment. This will enable the Chief Architect to unilaterally extend the time limit for issuing the special architectural requirements, up to a maximum of 20 working days. In considering this amendment, there is a mixed sense of concern. On the one hand, the legislator is modifying the architectural requirements to facilitate a more objective assessment of technical design and its solutions. On the other hand, the amendment reintroduces an instrument that may be applied without more explicit criteria (the Chief Architect of a municipality may seek public consultation on defining special architectural requirements if, in the course of drawing up those requirements, he identifies the need for additional information that the public can provide). The legislator does not specify what information can be provided by the public, nor what criteria will be used by the official to decide that the public should be addressed. It is understood that the duty of the Chief Architect is to ensure that the structure meets high-quality standards in all aspects. However, it is imperative that the criteria guiding the official's decision to engage the public be clear. Such a change will therefore potentially not only create additional time costs for builders, but also introduce a degree of uncertainty into the process.
- In cases of construction undertaken under contract, an obligation is introduced to designate a sole contractor responsible for overseeing the construction of all structures, who must meet the qualification requirements laid down in the Law on Construction and be capable of fulfilling the duties prescribed for a contractor in Article 18. According to the authorities, this is aimed at ensuring clear responsibility for the quality of construction. Market participants, for their part, are highly sceptical about this matter and perceive it as potentially diminishing competition within the construction sector and constraining clients to choose from a limited pool of potential contractors (who meet the criteria set out in Article 18 of the Law on Construction), which implies that the amendment primarily favours larger contractors operating in the country. In this case, we observe both legal and practical aspects. From a legal point of view, such a change will undoubtedly offer greater clarity and certainty in the matrix of responsibilities between construction actors. Practically speaking, it may indeed give the impression that the options for real estate developers and clients are being limited. Only time will tell whether this seemingly beneficial regulation will yield positive outcomes.
- The special architectural requirements applicable to the design documentation of a structure are mandatory in the cases set out in Article 37(1) of the Law on Construction (the obligation of the mayor of a municipality to inform the public about the planned commencement of the design of structures and their parts that are of importance to the public, etc.). In other cases, special architectural requirements are issued on the initiative of the builder (client).

- The Law introduces a novel obligation for the builder to notify of the commencement of the construction. This notification will have to precede the initiation of less complex construction works, where no document permitting construction is required, which will be set out in Article 27(1)(1) and (1)(2). Construction without notification of its commencement, where this is mandatory, will be prohibited.
- New information system being set up. **National Construction Information Classifier** is a systematically organised list comprising life cycle data groups/classes pertinent to a country's structures and related facilities, encompassing the names, structured codes, and attribute descriptions for these data or their groups/classes. The life cycle of a structure refers to the series of processes involved throughout the lifespan of a structure (planning, design, construction, use, and demolition).
- The definition of unauthorised construction has been revised. It now encompasses instances where unauthorised construction is also the act of conducting construction with a document permitting construction yet violating the essential elements of the design documentation of the structure, where their changes necessitate a new document permitting construction. Fines for unauthorised construction by legal entities will also see a significant increase.

LAW ON STATE SUPERVISION OF TERRITORIAL PLANNING, CONSTRUCTION AND LAND USE

In addition to the amendments to the Law on Construction, amendments to the Law on State Supervision of Territorial Planning, Construction and Land Use will enter into force on 1 November 2024.

Articles 17 and 18 of the Law (Articles 8 and 9 of the Amending Law) will stipulate that, if the illegality of a construction completion act, declaration or certificate is identified, the builder will be given the opportunity to remedy such deficiencies within 3 months.

One notable change worth highlighting is that, in addition to the deadline for remedying the deficiencies, there is also the option to reach an amicable settlement agreement with the State Territorial Planning and Construction Inspectorate. The current wording of the Law and other relevant legal provisions do not incorporate such a possibility, as they simply oblige the inspectorate to approve the mandatory instruction. Changing the Law in the way discussed above will give both the State Territorial Planning and Construction Inspectorate under Ministry of Environment and the market participants room to reach an agreement. This proposal formalises and legitimises the longstanding practice of seeking an agreement with the authority rather than resorting to more drastic measures.

LAW ON TERRITORIAL PLANNING

The amendments to the Law on Territorial Planning in 2023 resulted in the delegation of numerous administrative functions to municipal mayors. We have discussed this extensively in our previous reviews. Functions such as changing the modes of land use with respect to specific land parcels, approving the projects of forming and reparcelling land parcels, deciding on the commencement of detailed plan preparation and the planning objectives, submitting comprehensive plans of municipalities or the comprehensive plan of a part of the municipality to the municipal council for approval, as well as approving or rejecting detailed plans, etc. It is clear that this change not only consolidates significant administrative authority within the purview of a primarily political figure—the

mayor—but also places a potentially disproportionate administrative burden on that institution.

Apparently, taking into account these and similar concerns, amendments to the Law on Territorial Planning were adopted at the end of 2023 and entered into force on 2 January this year, partly to “alleviate the burden” on municipal mayors. The amendments introduce an alternative decision-making mechanism, enabling the mayor to empower the director of the municipal administration to make administrative decisions delegated to the mayor (e.g. decisions on the change or determination of the purpose, mode or designation of a land parcel, commencement of a detailed plan preparation or planning process objectives, submission of comprehensive plans of municipalities or the comprehensive plan of a part of the municipality to the municipal council, and approval of detailed plans, etc.). Observing this process, it can be occasionally ambiguous whether transferring these administrative functions from the administration to the mayor of the municipality was truly beneficial initially, especially considering the subsequent provision allowing the same mayor to delegate these competences back to the director of the administration.

LAW ON LAND

The National Land Service has relinquished its „monopoly“ as the trustee of State-owned land, transferring this responsibility to the competence of municipalities. From now on, municipalities will assume the role of trustees for State-owned land located within territories of particular municipalities - following amendments to the Law on Land, which entered into force on 1 January this year and which expanded the list of land trustees, the Government foresaw that the reform for

transferring land from the National Land Service to municipalities should be implemented by 1 February 2024.

As a result of the reform, it can be said that municipalities now emerge as the primary administrators of State-owned land. The National Land Service, in its capacity as trustee, retains control over lands not allocated to other entities as stipulated in the Law on Land. Following the reform, 112,000 ha of land were transferred to municipalities. Despite the fact that, according to the authorities, these changes are aimed at transparency (as the National Land Service will neither be able to take decisions itself, nor to complain against itself afterwards - the decision-making has been transferred to the municipalities, and the control has been transferred to the National Land Service), and at the reduction of the bureaucracy, it is obvious that the attainment of specific objectives can only be gauged in the future, once a stable practice is established and the reform is implemented in practice. However, this represents a welcomed and long-awaited advancement, which is expected to put an end to the practice where real estate market participants had to navigate between municipalities and the National Land Service in order to coordinate the issues of construction, management, use, and disposal of State-owned land.

CASE LAW

Obligation to disclose property rights in the public register. Ruling of the Supreme Court of Lithuania in civil case No [3K-3-138-1075/2023](#)

In this case, the bailiff, in the course of debt recovery from the debtor, issued a warrant in the case mandating the debtor to carry out the legal registration of the inherited immovable property - an apartment with a basement - in the public register, disclosing the debtor's ownership rights to this immovable property. The court of cassation has held that the bailiff was not presented with an enforceable document ordering the debtor to perform or refrain from performing certain acts. It was therefore concluded that the bailiff was not entitled to adopt the warrant on the dispute and to oblige the debtor to carry out the legal registration of the inherited property in the public register, disclosing his ownership rights to that immovable property on the basis of Article 624(2)(8) of the Code of Civil Procedure. The ruling essentially reiterates that the bailiff cannot itself, without the enforcement document, impose obligations on the debtor, not even the obligation to disclose his rights in the immovable property for enforcement purposes, this duty can only be mandated by a court order.

Concerning the transfer of an object located on a State-owned land plot and the determination of the essential parts of the object. Ruling of the Supreme Court of Lithuania in civil case No [e3K-3-300-403/2023](#)

In this case, the court of cassation has made it clear that immovable objects located on a land plot correspond to the concept of essential parts of the main object as set out in Article 4.15 of the Civil Code and to the consequences of the loss of connectivity with the main object. Therefore, in the view of the Panel of Judges, the immovable objects located on the land plot are to be qualified in law not as appurtenances but as

integral components of the main object, with regard to the interconnection between the principal object and the subordinate object. This assessment has fundamentally changed the extensive case law that existed before, which had referred to buildings as part of the land plot - this interpretation allowed for situations where a building stands on the land plot, but the owners of the land and the building are different. However, by considering the immovable object on the land plot as an essential part of the main object, such situations should be avoided: the main object cannot exist without its essential part, and therefore, according to this interpretation, the transfer of the land plot without simultaneously transferring the building on it should not be feasible.

Distinction between contract for works and contract for services. Ruling of the Supreme Court of Lithuania in civil case No [e3K-3-144-684/2023](#)

In a case where excavation work caused damage and the collapse of part of the claimant's garage, the question arose as to whether the excavation work was legally classified as a contract for work or a contract for services. The Court recalled that, in distinguishing between a contract for works and a contract for services, it is important to determine whether the parties agreed on the performance of works which will create or produce an object, separable from the act itself, of independent value and capable of being transferred to the client independently (contract for works), or whether there was an agreement on certain activities the results of which are inseparable from the act itself (supply of services). The Court also emphasised that the mere fact that excavation works are classified as construction works under the Law on Construction does not automatically qualify the disputed legal relationship as a construction contract. This ruling once again substantiated the Court's firm position on the distinction between contracts for services and contracts for works. In addition, the example

of the excavation work being recognised as a service contract encourages us to point out that, in many cases, the name of the contract may not be decisive: it is crucial to examine the substance of the contract, the rights and obligations of the parties and the scope of the obligations, so that one or the other of the contracts can be treated in the same way not only by the parties to the contract, but by the court.

Partitioning of property held in partial co-ownership when the multi-apartment building has been renovated. Ruling of the Supreme Court of Lithuania in civil case No e3K-3-228-611/2023

The court of cassation has held that, in the case of partitioning an apartment or other premises within a renovated multi-apartment building, the calculation of the amount of the compensation to be paid to the co-owner hinges on several factors: whether the co-owner has contributed to the renovation costs and, if so, what proportion of those costs he/she has borne. If the co-owner has not incurred the renovation costs, the market value of the apartment or premises in question shall be determined by deducting the increase in the value of the apartment resulting from the renovation of the multi-apartment building and by calculating the compensation from the resulting value in proportion to the common property.



Vilius Visockas, head and developer of CityNow.

At the beginning of his career, starting in 2006, he worked as a real estate market analyst in Lithuania. Later, he developed IT products for global technology companies such as Facebook and Spotify. Drawing from his experience, he has been working on the CityNow platform since 2018, which serves as both a map for new projects and a real estate analytics tool. He regularly reviews new projects and market developments in the media and is also a board member of the Proptech Lithuania association.

In the context of high-interest rates and in the second half of 2023, we had relatively few new residential projects. Larger projects commenced in established, sought-after areas, unfolding gradually in such micro districts as Pilaitė and Naujamiestis. However, buyers demonstrated a keen awareness of market dynamics, showing an inclination towards novel concepts and locations where options were previously limited. For example, the investment second home concept of the *Nemunas by Citus* project in Druskininkai or the projects in the newly discovered districts of Karoliniškės and Fabijoniškės in Vilnius, where old buildings dominate. Developers with diverse project portfolios are now better positioned to cater to the evolving preferences of discerning buyers.

The most prominent new projects of 2023 are commercial ones. Given prevailing market conditions, there's a demand for sustainable, contemporary structures, prompting developers to allocate their resources towards long-term ventures that yield consistent returns. Consequently, there's a trend where some smaller residential projects are either brought to market or temporarily postponed.

The year 2024 should be exceptional due to the wide selection of luxury-class housing in the planning stages or already underway. On the other hand, we believe that if interest rates reach a tipping point, we will see more middle/economy-class housing projects.

THE 10 LARGEST MULTI-FAMILY RESIDENTIAL BUILDING PROJECTS (OR THEIR PHASES) INITIATED IN THE SECOND HALF OF 2023

VILNIUS

- **Saulės namai**

Saulės namai – a residential quarter in Pilaitė, is a major focus for developers and aligns with the capital's growth direction.

Developed by the *Eika Development Fund*, *Saulės namai* stands as the largest proposed project in the latter half of 2023 in Vilnius. Located on a serene Piliakalnio street, the neighbourhood features low-rise cottages and private houses.



Saulės namai @ Eika Development Fund

The project includes A++ energy class 5- and 4-story connected apartment buildings, offering apartments ranging from 26.02 to 81.55 sq. m. Residents will enjoy private terraces on the first and top floors and balconies on other levels. Amenities like parking and playgrounds are planned, with Lake Gelužė nearby. Construction is set to finish by the first quarter of 2025.

■ Sietyno 3

Sietyno 3, a *Lithome* project, commenced development in the fourth quarter of 2023. This modern apartment building is set to transform the landscape of one of the older micro-districts of the capital, Karoliniškės. The project also includes eight commercial premises, ranging from 50 to 100 sq. m., each with separate entrances.

The architectural design of the building is enhanced by green islands, vegetation, and a small pine forest visible through the windows. A green promenade within the enclosed courtyard

connects spaces for quiet relaxation in nature with areas for active outdoor exercise and children's play. A total of 95 apartments, ranging from 1 to 3 rooms and spanning from 29 to 88 sq. m., have been introduced to the market. Construction is scheduled for completion by the first quarter of 2025.



Sietyno 3 @ Lithome

Moods

Moods is a project by *Baltic Asset Management*, located at Kareivių St. 2G in Vilnius. This low-rise construction development offers lofts and apartments ranging from 27 to 75 sq. m. The lofts feature separate entrances, entresols, and ceilings reaching up to 4.5 m high.



Moods @ Baltic Asset Management

The design is based on neuroscience principles, with long-lasting materials, clinker facades, large windows, elevators, and a green courtyard with recreation, sports, and game areas. An underground parking lot is also included.

■ GyvenkiM29

GyvenkiM29 is another new project located in Pilaitė micro-district, developed by *Vilmestos*. The project offers notable features such as east or west-facing windows, spacious balconies, an A++ energy class rating, recuperative ventilation, underfloor heating, underground parking, and above-ground bicycle storage.

It comprises 81 apartments ranging from 1 to 3 rooms, sized from 33 to 73 sq. m. Buyers can select from two partial finishes and four full finishes. Construction is set to finish by autumn 2024.



GyvenkiM29 @ Vilmesta

■ City more

The *City More* project, a 7-storey development by *Lithome*, is situated on Marijampolės street in the Naujamiestis micro-district of Vilnius, between Panerių and Kauno streets. Comprising 50 apartments and 4 commercial premises, it includes a 24-space underground parking lot, storage rooms,

bicycle storage, and a secure yard. Apartments on the upper floors offer terraces of 70 sq. m or larger, providing panoramic city views. Modern heating systems with individual metering will be installed in the apartments. The neighbourhood features popular bars and cafes like *Loftas*, *Kablųs*, and *Peronas*.



City more @ Lithome

KAUNAS

■ Kiara Dainava



Kiara Dainava @ Turtauta

Turtauta UAB is currently the *Kiara Dainava* project on Aleksotas Hill in Kaunas. This A+ energy class development consists of 25 apartments, ranging from 2 to 3 rooms and sized from 33 to 78 sq. m. The project also includes 29 parking spaces, storage rooms, and various play areas for children of different ages. It is situated approximately 1.5 km from the Old Town. Construction is scheduled to be completed by the second quarter of 2024.

▪ **Beržų namai (II stage)**

Beržų namai is the second stage of a project developed by *Autodalys* in Kaunas, offering 36 apartments with 2 and 3 rooms, ranging from 46 to 63 sq. m.

This project features an A+ energy class rating, a new-generation recuperation system, and heated loggias. The fenced and landscaped territory includes children's playgrounds and benches for residents. Located in an area with developed infrastructure, the city centre is just a 5-minute drive away. The nearby Nemunas coast leading to the Old Town offers excellent opportunities for leisurely walks.



Beržų namai (II etapas) @ Autodalys

KLAIPĖDA

▪ **Bastionų namai (II etapas)**

Eriadas intends to start the second phase of *Bastionų namai* in the centre of Klaipėda. This project encompasses a total of 6 phases, with the first phase already constructed and apartments available for sale. The development features green areas throughout the block, with the Danė River nearby. Residents will enjoy easy access to popular city centre destinations within a 10-minute walk. *Bastionų namai* offers A++ energy class 1-4 room apartments, which are sold with partial finishing.



Bastionų namai (II stage) @ Eriadas

PALANGA

▪ **Palangos ašis**

In September 2023, the *Palangos ašis* project, developed by *Orion Asset Management*, emerged as the top-selling seaside real estate project. Located just 5 minutes from the Baltic Sea, it offers serene pathways, proximity to the Tiškevičiai Manor, tennis courts, and restaurants. The project features three low-rise buildings with a total of 122 apartments, ranging from 1.5 to 3 rooms.



Palangos ašis @ Bilukas

DRUSKININKAI

■ Nemunas by Citus

The first phase of the *Nemunas by Citus* project has nearly completed most of its construction work. This project involves the restoration of the old Druskininkai *Nemunas* sanatorium, transforming it into a modern residential complex. The restored 11-story building will house 372 apartments, along with spaces for collaboration and businesses. In this initial phase, 176 apartments ranging from 1 to 4 rooms and spanning from 18 to 83 sq. m. will be developed. Plans also include rooftop water and outdoor cinema areas. The developer, *Citus*, is reconstructing the building to meet energy class A standards, incorporating features such as individual underfloor heating and other modern technical solutions.



Nemunas by Citus @ Citus

THE 4 LARGEST COMMERCIAL REAL ESTATE PROJECTS IN THE SECOND HALF OF 2023

▪ Flow

Eika Development has completed the construction of *Flow* business centre, an addition to the new business world of Vilnius located on Konstitucijos Avenue. The centre consists of two interconnected buildings, one with 15 floors and the other with 20, covering a total area of 15 thousand sq. m. Its amenities include a three-story underground parking lot, storage space for bicycles or scooters, and 12 electric car charging points. Additionally, employees can enjoy a rooftop terrace. The building is classified as an A++ energy efficiency class. Rental options start from a minimum space of 160 sq. m.



Flow @ Eika Development

▪ Sky Office

Sky Office, an 18-story business centre spanning 8.8 thousand sq. m., has been built by *YIT Lietuva* in Viršuliškės micro district. This A+ energy efficiency class building will feature photovoltaic solar modules on its roof, contributing to the production of green electricity. Positioned near Vilnius's bicycle

path and the Western Bypass, the centre provides easy access to all capital districts.



Sky Office @ YIT Lietuva

▪ Reconstruction of "Naglis" cinema

Palanga cinema *Naglis* is undergoing reconstruction to adapt its spaces for new activities. Instead of the old 400-seat cinema hall, two halls are planned, with capacities of 176 and 61 spectators. Additionally, an audio-visual arts cultural centre will be established, featuring a reading room and a multimedia library. In the eastern part of the building, an outdoor terrace will be created, complete with a cinema screen, which will be visually and functionally integrated with the newly equipped lobby space. This project is being implemented by *Altitudės MB* and *Urbanistinė Architektūra UAB*.



Reconstruction of "Naglis" cinema @ MB „Altitudės“ ir UAB „Urbanistinė Architektūra“

THE 2 MOST IMPORTANT PUBLIC INFRASTRUCTURE PROJECTS INITIATED IN THE SECOND HALF OF 2023

■ Neringa pedestrian and bicycle path



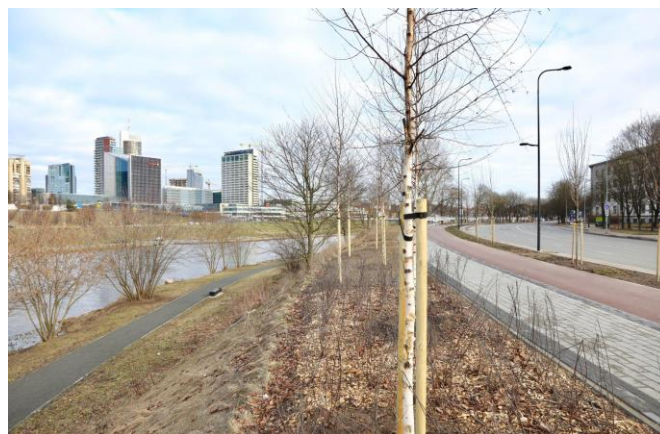
Neringa pedestrian and bicycle path @ Directorate of Motor Roads of Lithuania

The Smiltynė-Nida pedestrian and bicycle path in the capital underwent reconstruction from February to the second half of 2023. The renovations increased the width to 3.5 meters for safety and comfort and included the installation of four rest areas with benches and bike racks. Firefighters now have access to the path if needed. Reconstruction was divided into two sections: 2 to 3 km and 3 to 15 km. In 2024, the section from Juodkrantė to Pervalka is scheduled for reconstruction.

■ Reconstruction of the Neris embankment in Vilnius

In 2023, extensive renovations were completed on the left embankment of the Neris River in Vilnius, spanning from the Seimas building to the White Bridge. The project included the construction of a 2 km pedestrian path and about 1 km of

bicycle path, along with amenities such as bicycle racks, rest areas, and benches. The embankment now features improved lighting, access to the water, and repaired sections, including wheelchair-accessible slopes. A total of 211 trees, 7.7 thousand shrubs, and various herbaceous and ornamental plants were planted. Moreover, maintenance work on the 2 km section of the embankment stretching from the Square of Vileišiai Brothers to the Šilas Bridge has been completed. Pedestrian and bicycle paths have been installed at the approaches to Slušų and P. Vileišio streets, along with reconstruction of the rainwater network. The renovation project was overseen by the Vilnius City Municipality, with significant funding provided by the European Union Regional Development Fund.





Reconstruction of the Neris embankment in Vilnius @ Vilnius city municipality

ABOUT / CONTACTS

INREAL GROUP

INREAL is a brand of an idea, which gives spark to unique projects, basis for professional services, and added value to businesses, clients, and partners. INREAL positions creativity as a core value in the dynamic business world. INREAL Group, which consists of UAB "Inreal", UAB Inreal GEO", UAB "Inreal valdymas" and its managed companies, develops unique real estate (RE) projects and provides probably the widest range of real estate services in 11 cities in Lithuania. The company has engaged in business operations for more than 25 years and implemented more than 70 real estate projects of various purposes, which received recognition and awards at contests not only in Lithuania but on an international scale as well.

Žalgirio str. 94, 09300 Vilnius | +370 5 273 0000 | www.inreal.lt/en  

SEB BANKAS

SEB is the leading Nordic financial services group. We believe that entrepreneurial people and innovative companies are key to building a better world. We are here to help them achieve their ambitions and contribute to their success in good times and bad. In Sweden and the Baltics, SEB provides their clients financial advice and comprehensive financial services. The SEB Group's banks in Denmark, Finland, Norway, and Germany focus on corporate and investment banking services for corporate clients and institutions. SEB has branches in 20 countries worldwide. The SEB Group employs around 15 000 people.

Konstitucijos av. 24, 08105 Vilnius | +370 (5) 268 2800 | www.sebgroup.com

COBALT

COBALT is one of the largest law firms in the Baltics. More than 200 lawyers provide comprehensive services to local, regional and international corporations, funds, credit institutions and companies, as well as private individuals in all areas of business law. The firm has won the title of "BestLaw Firm in the Baltic States" seven times. The most prestigious law firm directories "Chambers Global", "Chambers Europe", "Legal 500", "IFLR 1000" and others annually include COBALT in the list of the best law firms in the region.

Lvivo str. 25, 09320, Vilnius | +370 5 250 0800 | www.cobalt.legal    

CITYNOW

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

Dainavos str. 5, Vilnius | +370 623 38911 | www.citynow.org 