



LIETUVOS TURTA ir VERSLĄ VERTINANČIŲ
ĮMONIŲ ASOCIACIJA

LITHUANIAN ASSOCIATION OF PROPERTY AND BUSINESS VALUATION ENTERPRISES

Availability of real estate data to valuers - Lithuanian case

Albina Aleksiene

Executive manager of the Lithuanian Association of Property
and Business Valuation Enterprises

info@vertintojai.lt

31st Baltic Valuation Conference – Virtual Conference on June 17th, 2021

Contents

- ▶ General assumptions
- ▶ Data collection and management in Lithuania
- ▶ Data use for valuation
- ▶ Issues to be addressed

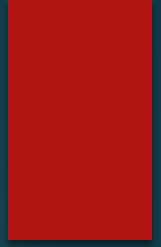
General assumptions

- ▶ In real estate valuation the quality and quantity of information available for analysis are as important as methods and techniques; some sources indicate, that the investment into data inventory can be 75 percent of the cost of valuation;
- ▶ General data include information on the following forces that affect property value:
 - ▶ Social (demographics, government regulations and social attitudes, employments, etc.)
 - ▶ Economic (international, national and local economic trends, local market considerations, purchasing power, price level, etc.)
 - ▶ Governmental (taxes, financing sources, territorial planning, etc.)
 - ▶ Physical characteristics (cadastral data, etc.)
- ▶ Recent developments in computer software and hardware have resulted in low-cost, high performance databasing combinations for valuers.

Collecting of real property transactions data

| Source | Availability | Description |
|-------------------------------------|----------------------------------|---|
| Internet and mass media | Easily accessible | Unreliable information, asking prices are the object of negotiations |
| Banks, other crediting institutions | Accessible through collaboration | Does not include information of real property transactions which were made using own funds |
| Construction companies | Accessible through collaboration | Information only about new properties |
| Real estate agencies, brokers | Accessible through collaboration | Not all transactions are conducted using brokers and agencies services |
| Public records | Easily? accessible | In major cases cadastral and sales information is interrelated, wide coverage in term of territory and types of use of property |

Data collection and management in Lithuania (1)



- The multi-purpose real property cadastre and register is developed in Lithuania;
- The real property cadastre and register system in Lithuania is:
 - *centralised*, i.e. only the data stored in the central databank have legal status,
 - *digital*, i.e. cadastral data and legal information covers the entire country, and only digital data have legal effect (excerpts from the central database), information services are delivered interactively (e-services), e-transaction system is being implemented,
 - *multi-purpose*, i.e. is used for protection of ownership, taxation, valuation, market services, *operates on a cost recovery principle*

Real estate data collection and management in Lithuania (2)

- Taking into consideration evaluations made by the experts of UN Economic Commission for Europe and the World Bank, the real property cadastre and register system in Lithuania qualifies for one the most modern and effective systems in Europe;
- State enterprise Centre of Registers maintains 4 main state registers – real estate, legal entities, addresses, population;
- Mass valuation system for public needs has been developed in Centre of Registers;
- **The Real estate database is the main official source of sales data information for individual valuers**

Data sources of real property transactions (1)

1. Registration of ownership rights



2. Electronic auction system



Data sources of real property transactions (2)

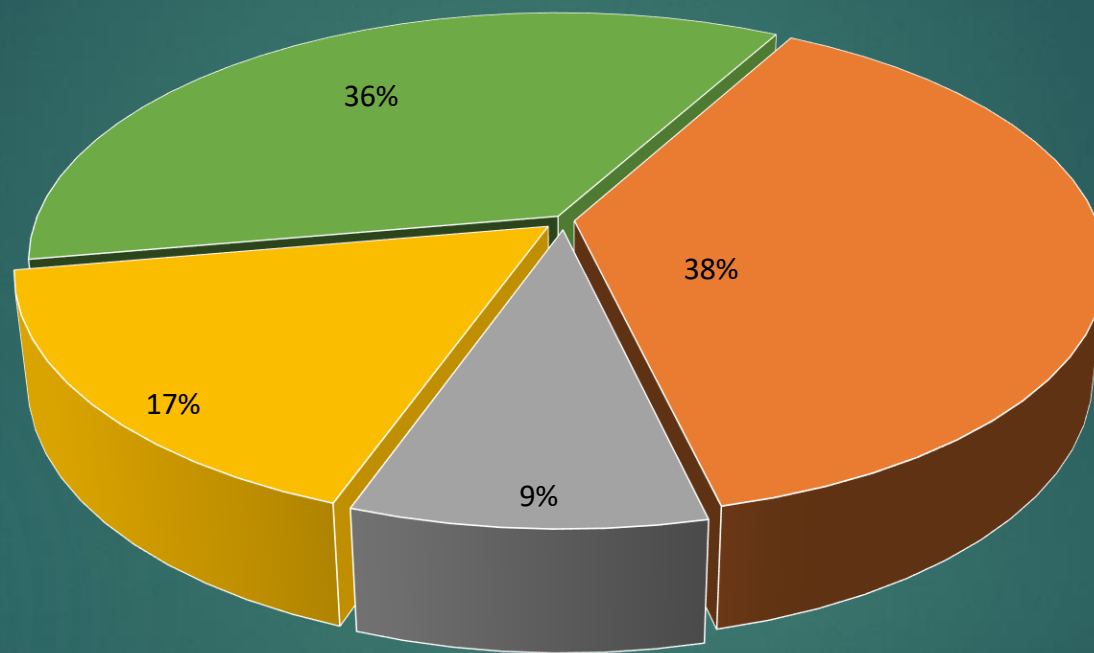
3. Main source – Public Electronic Service for Real Property Transactions (NETSVEP)



Advantages:

- ▶ Saving time. All actions related to acquisition of real property and registration of rights thereto are performed at the notary bureau without direct applying to the Centre of Register.
- ▶ Data about transaction come to the Centre of Registers through the Internet after the approval of real property transaction.
- ▶ Getting official information.

Real property objects registered in database - 6 870482 (as of 2021 04 01)



■ Land parcels ■ Buildings ■ Engineering constructions ■ Premises

Components of real property sales database

| Real property register data | | | Transaction data | GIS, mass valuation information |
|---|--|---|--|---|
| Buildings | | Land | Transaction's date Sale/rent price Acquired area etc. | Value zone number Type of transaction Object of transaction Group of real property Mass value etc. |
| Address Total area Purpose of use | | | | |
| Property type Year of construction/ reconstruction Wall material Floor Garage area | Auxiliary area Heating Number of rooms Sewerage Water supply etc. | Non-useful area Forest area Road area Water area Soil fertility etc. | | |

Data use for valuation: ways to use real property transactions database

- ❖ Access using the **software**: Oracle, NCSS, WebFocus, Excel, Data Warehouse.
- ❖ Access using **web applications** that were created by the State Enterprise Centre of Registers:
 - web applications for **mass valuation analysis**;
 - **web applications for statistical analysis of the data, programs for selection of real property transactions**
 - **webservices**.
- ❖ **Creation of analytical data applications.**

Users of real property transactions database

| | Software | Web applications | | Creating applications |
|---------------------------|---|---|--|--|
| | | <i>Mass valuation</i> | <i>Others</i> | |
| Users | A limited number of employees | Valuers | State institutions, law enforcement structures, banks, valuers, business entities, natural persons | Business entities |
| Data accessibility | All information (based on type of work) | All information that is needed for mass valuation (identifying information isn't available) | Information that is needed to analyse real property market (identifying information isn't available) | Information that is needed to analyse real property market (identifying information isn't available) |

Employees of the State Enterprise Centre of Registers only

Registered users who entered into a cooperation agreement with the State Enterprise Centre of Registers

Program for selecting transactions

NT sandorių paieška Atliktų užklausų peržiūra

| | | | | | |
|--------------------------|---|----------------------|--|------------------------|--|
| * Savivaldybė: | Akmenės r. sav. Alytaus m. sav. Alytaus r. sav. | Išgytas plotas nuo: | <input type="text"/> iki: <input type="text"/> | Turto paskirtis: | Gyvenamoji: Gyvenamoji (1 buto past.) Gyvenamoji: Gyvenamoji (2 butų past.) |
| <u>Vietovė:</u> | <input type="text"/> | * Sandorio data nuo: | <input type="text"/> iki: <input type="text"/> (YYYY-MM) | Žemės naudojimo būdai: | Tvenkinių žuvininkystės ūkių Specializuotų ūkių žemės sklyp |
| <u>Gatvė:</u> | <input type="text"/> | Sandorio suma nuo: | <input type="text"/> iki: <input type="text"/> | Sienų medžiaga: | Akmenbetonis Asbestcementis su karkasu |
| <u>Seniūnija:</u> | <input type="text"/> | Vnt. kaina nuo: | <input type="text"/> iki: <input type="text"/> | Statybos metai nuo: | <input type="text"/> iki: <input type="text"/> |
| <u>Verčių zonos Nr.:</u> | <input type="text"/> | Sandorio tipas: | Pirkimas Lizingas, išperkamoji nuoma | Baigtumas nuo: | <input type="text"/> iki: <input type="text"/> |
| Objektai sutartyje: | <input type="text"/> | Kainos tipas: | <input type="text"/> | | |

© 2015 Valstybės įmonė Registrų centras Konsultacijos teikiamos: tel. (5) 2658 409, (5) 2688 317, (5) 2688 355

Municipality
City
Street
Zone number
Object of transaction
Municipality

Acquired area
Date of transaction
Price
Price of unit of measurement
Type of transaction
Type of price

Purpose of use
Type of land use
Wall material
Year of construction
Completeness (%)

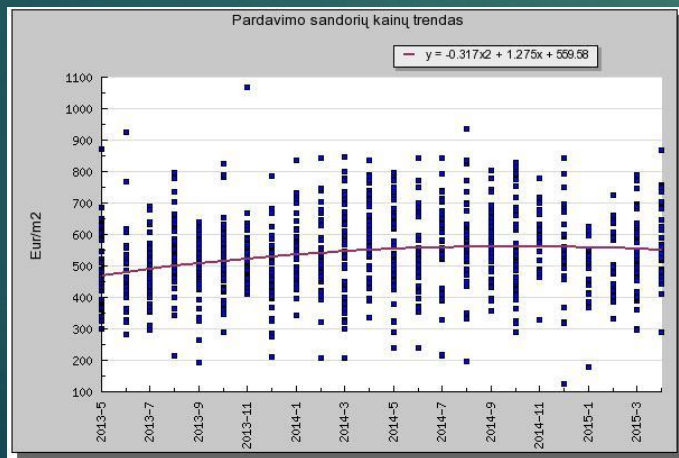
Program for value correction with time adjustment

Unique number

Real property characteristics
(address, zone number, gross area, etc.)

Value corrected in time

Transactions



Unikalus objekto numeris: 1996700220180052 [objekto Nr. paieška pagal adresą...](#)

[Išvalyti](#) [Skaičiuoti vertę](#)

Paieškos rezultatai: [Salvos](#) | [Sandoriai](#) | [Grafikas](#)

Objekto kodas: 1996-7002-2018:0052
Objekto adresas: Kauno m. sav. Kauno m. Birželio 23-iosios g. 8-57
Verčių zona: 15.10
Bendras plotas: 44.57 (30.01 .. 50)
Statybos metai: 1967 (1961 .. 1980)
Vidutinė rinkos vertė: 17400 Eur
Vieneto vertė: 390 Eur/m²
Vertinimo Nr: 19: (statinių) galioja nuo 2015-01-01
Rinkos būklės data: 2014-08-01 (2013-05 .. 2015-04)
Sandorių kainų intervalas: (110..3500)

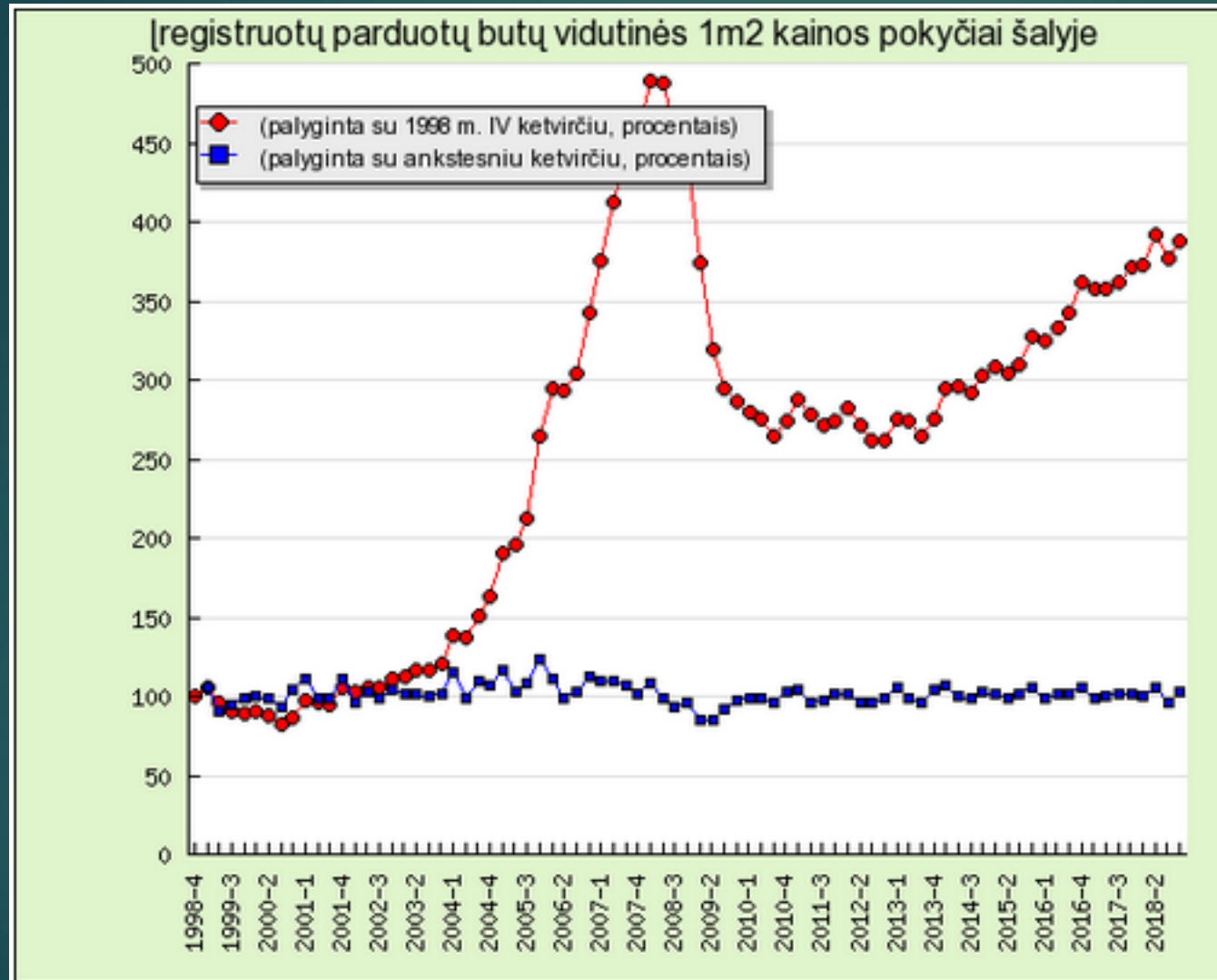
Laiko pataisos koeficientas, apskaičiuotas pagal sandorių kainų tendrą: 0.98
Vidutinė rinkos vertė įvertinus laiko pataisą: 17052 Eur
Vieneto vertė įvertinus laiko pataisą: 383 Eur/m²

Nurodytoje verčių zonoje rasti sandoriai:

| Sand. data | Adresas | Daiktas | Aukštas | Sienos | St.metai | Sandorio tipas | Išig. plotas | Vnt. kaina | Sandorio suma |
|------------|------------------------|---------|---------|--------------------------------|----------|----------------|--------------|------------|---------------|
| 2015-04 | V. Krėvės pr. 110..120 | Butas | 8/9 | Gelžbetonio blokai | 1975 | Pirkimas | 49.4 | 648 | 32000 |
| 2015-04 | Pramonės pr. 60..70 | Butas | 4/5 | Gelžbetonio plokštės | 1970 | Pirkimas | 43.93 | 546 | 24000 |
| 2015-04 | Pramonės pr. 50..60 | Butas | 5/5 | Gelžbetonio blokai su šilumą i | 1970 | Pirkimas | 43.42 | 737 | 32000 |
| 2015-04 | Partizanų g. 100..110 | Butas | 1/5 | Betonas / blokai / šlakbloakai | 1971 | Pirkimas | 43.9 | 490 | 21490 |

Trend (price changes in time)

Actual housing price index



Issues to be addressed

- ▶ The availability of real estate data doesn't guarantee itself automatically the benefits to valuers;
- ▶ The main obstacles:
 - ▶ Lack of mutual understanding and co-operation between institution maintaining database and valuers society (since 2012 Centre of Registers stopped delivery of data packages to valuers);
 - ▶ The legal basis (mainly the law on personal data protection) creates some shortages in data delivery to valuers;
 - ▶ Different technical possibilities and availability of appropriate software by valuers, compared to Centre of Registers.

Current situation

- ▶ The new Law on property and business valuation (3-rd version) is discussed since 2020. The current version of draft law doesn't speak much about data providing to valuers;
- ▶ The issue of open data is discussed recently on different levels, including ministries of Finance and Economics.
- ▶ The new draft application for data delivery to valuers has been developed by Centre of Registers. The negotiation regarding the contents of data and pricing between two parties is ongoing.



Thank you for attention!