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14 April 2016 [shall come into force from 1 June 2016].

If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*¹ has adopted and
the President has proclaimed the following law:

Law on the Alienation of Immovable Property Necessary for Public Needs

Chapter I General Provisions

Section 1. The purpose of the Law is to lay down transparent, efficient and just procedures for alienating immovable property for public needs.

Section 2. Immovable property shall be alienated for State protection, environmental protection, health protection or social security needs, construction of cultural, educational and sports facilities, engineering structures and engineering communications or development of transport infrastructure necessary for the public, as well as for ensuring other public needs, provided that this aim cannot be achieved by other means.

Section 3. Alienation of immovable property for public needs shall be proposed and performed by a State administration institution or local government the competence of which includes ensuring of the respective public needs (hereinafter – the institution).

Section 4. Alienation of immovable property for public needs shall be performed upon agreement on voluntary alienation of immovable property or expropriation thereof on the basis of a specific law.

Section 5. Expropriation of immovable property for public needs shall only be permitted in exceptional cases for a fair compensation and only on the basis of a specific law in compliance with the provisions provided for in this Law.

Section 6. (1) If only a part of immovable property is necessary for public needs and the remaining part thereof may not be used due to insufficient area, encumbrances, configuration or any other circumstances according to the local government spatial plan, the institution shall propose alienating the entire immovable property and alienate the entire immovable property, unless another agreement is reached with an owner of immovable property.

(2) A dispute regarding the need to alienate the entire immovable property shall be examined by court in accordance with the procedures laid down in the Civil Procedure Law.

Section 7. The institution shall compensate for any losses which an owner of immovable property has incurred in the process of alienation of this immovable property, including the losses which result in case the immovable property is not alienated.

¹ The Parliament of the Republic of Latvia

Section 7.¹ In alienating immovable property for public needs, the regard shall also be had to the interests of a person in favour of whom the pledge right has been corroborated in relation to the immovable property. Alienation of immovable property for public needs may not, in itself, serve as a basis for requesting early fulfilment of obligations which are secured with the respective immovable property or for believing that the relevant obligations are being violated. [14 April 2016 / See Paragraph 5 of Transitional Provisions]

Chapter II

Procedures for Alienating Immovable Property

Section 8. (1) After the Cabinet or a local government has taken a conceptual decision to implement a project necessary for ensuring public needs, the institution shall initiate identification of immovable property necessary for implementation of the respective project and determine a compensation for the immovable property to be alienated. If it is envisaged to alienate only part of immovable property for public needs, the institution shall additionally prepare a graphic material showing borders of the part of the respective immovable property to be alienated.

(2) After taking the decision referred to in Paragraph one of this Section, the institution has the right to perform the following without consent of an owner of immovable property:

1) receive copies of documents which refer to the composition and use of the immovable property;

2) carry out preliminary design and design work. The institution shall inform the owner of the immovable property of the initiation of design of structures by sending a notification.

Section 9. (1) The Cabinet or a local government shall, within four months after taking the decision regarding amount of compensation, take the decision to propose alienation of immovable property necessary for ensuring public needs for the determined compensation.

(2) If the decision referred to in Paragraph one of this Section is not taken within the specified period of time, the compensation shall be re-determined in accordance with the procedures laid down in Chapter III of this Law.

(3) After taking the decision referred to in Paragraph one of this Section, the right of first refusal and the repurchase right shall not be exercised.

[14 April 2016 / See Paragraph 5 of Transitional Provisions]

Section 10. (1) After taking the decision referred to in Section 9, Paragraph one of this Law, a notation shall be entered in the Land Register based on a notification of the institution regarding a prohibition to alienate and encumber the immovable property with the rights in rem and obligation rights without consent of the institution.

(2) The notation entered in the Land Register in accordance with Paragraph one of this Section shall be deleted on the basis of a notification of the institution. If the State or a local government has failed to corroborate property rights to the alienated immovable property in the Land Register within 18 months from taking of the decision referred to in Section 9, Paragraph one of this Law, the notation entered in the Land Register shall be deleted on the basis of a corroboration request of an owner of the immovable property.

(3) If a constitutional complaint has been filed with regard to the law on alienation of the respective immovable property, the notation entered in the Land Register in accordance with Paragraph one of this Law shall be deleted on the basis of a notification of the institution or a corroboration request of an owner of the immovable property after the Constitutional Court has held that the law on alienation of the respective immovable property fails to comply with the provisions of higher legal force.

Section 11. (1) The institution shall immediately, but not later than within 10 days after taking of the decision referred to in Section 9, Paragraph one of this Law, send to an owner of immovable property or, if his or her place of residence is not known, publish a notification in the official gazette *Latvijas Vēstnesis* inviting to notify, within 30 days from the day of receipt or publishing thereof in the official gazette *Latvijas Vēstnesis*, a possibility to conclude a contract for voluntary alienation of immovable property. The notification which is sent to the owner of immovable property shall additionally indicate the compensation determined by the institution and the type of the offered awarding of compensation.

(2) If it is envisaged to alienate only part of immovable property for public needs, the notification shall indicate the necessary share of immovable property and attach a graphic material showing borders of the part of the respective immovable property to be alienated.

(2¹) The institution shall also inform a person in favour of whom the pledge right has been corroborated to the immovable property of the sending of the notification referred to in Paragraph one of this Section and the content thereof. If a place of residence of this person is not known, the notification shall be published in the official gazette *Latvijas Vēstnesis*.

(3) If an owner of immovable property agrees to voluntary alienation of immovable property within the period of time referred to in Paragraph one of this Section, he or she and the institution shall conclude a contract for voluntary alienation of the immovable property within the period of time and for the compensation specified by this institution. The period of time determined by the institution shall be at least two months from the day when a draft contract is issued to the owner of the immovable property.

(4) The owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property may agree on distribution of the compensation determined by the institution. If there are several persons in favour of whom the pledge right has been corroborated to the immovable property, and the owner of the immovable property wishes to agree on distribution of the compensation determined by the institution, he or she shall reach an agreement with all persons.

(5) In the case referred to in Paragraph four of this Section, an amount to be disbursed to the person in favour of whom the pledge right has been corroborated to the immovable property shall be used with regard to early extinguishing of obligations without changing conditions for fulfilment of obligations, unless the parties agree otherwise.

(6) If the owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property have agreed on distribution of the compensation determined by the institution, they shall, by conclusion of the contract referred to in Paragraph three of this Section, submit a notification to the institution regarding distribution of the compensation determined by the institution. The notification shall indicate what amount of the compensation determined by the institution is to be disbursed to the owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property by specifying a bank account to which the specified amounts are to be transferred.

(7) A sworn notary shall certify authenticity of the signatures of the persons on the notification regarding distribution of the compensation determined by the institution or the notification shall be drawn up electronically and signed with a secure electronic signature.

[14 April 2016 / See Paragraph 5 of Transitional Provisions]

Section 12. (1) The institution and the owner of the immovable property shall agree on the following in the contract for voluntary alienation of immovable property:

1) the type of and procedures for awarding compensation;

2) [14 April 2016];

3) the procedures and periods of time for vacating the immovable property;

4) any other issues in order to ensure efficient acquisition of immovable property in possession of the State or local government.

(2) If the pledge right has been corroborated to the immovable property and a notification has been submitted to the institution regarding distribution of the compensation determined by the institution, the contract for voluntary alienation of immovable property shall lay down procedures for awarding compensation according to the notification.

(3) If the pledge right has been corroborated to the immovable property and a notification has not been received regarding distribution of the compensation determined by the institution by the day of conclusion of the contract for voluntary alienation of immovable property, the compensation determined by the institution shall be disbursed in accordance with the procedures laid down in Section 29.² of this Law.

[14 April 2016 / See Paragraph 5 of Transitional Provisions]

Section 12.¹ In corroborating property rights in the Land Register to the immovable property which has been alienated on the basis of the contract, a notation of pledge right and prohibition associated thereto shall be deleted without consent of the person in favour of whom the pledge right has been corroborated to the immovable property.

[14 April 2016 / See Paragraph 5 of Transitional Provisions]

Section 13. If an owner of immovable property fails to respond within the period of time referred to in Section 11, Paragraph one of this Law or the contract for voluntary alienation of immovable property is not concluded within the period of time referred to in Section 11, Paragraph three of this Law, a State administration institution shall draw up a draft law on alienation of the respective immovable property, but a local government shall draw up a decision asking the Cabinet to submit to the *Saeima* for examination a draft law on alienation of the respective immovable property. A State administration institution or a local government shall also carry out the abovementioned activities if the immovable property has been encumbered with the lease right entered in the Land Register and assumption of such obligations is not proportionate to the ensuring of the respective public needs.

[14 April 2016]

Section 14. (1) In submitting a draft law to the *Saeima* on alienation of specific immovable property, information shall be attached regarding the immovable property to be alienated, the grounds for alienation of immovable property and determination of compensation, as well as the assessment of the circumstances referred to in Section 6, Paragraph one of this Law in case of alienation of part of immovable property. Documents confirming the abovementioned information shall be attached thereto additionally.

(2) If a draft law is not submitted by the Cabinet, the draft law may only be put forward for review at first reading after receipt of an opinion of the Cabinet assessing the need to alienate the respective immovable property for public needs. The Cabinet shall draw up and submit this opinion within the period of time specified by the responsible committee of the *Saeima*.

Section 15. Property rights to the immovable property which has been alienated on the basis of the law on alienation of the specific immovable property shall be transferred to the State or a local government, and these rights may be corroborated in the Land Register after the law on alienation of the specific immovable property has come into force and the institution has paid the compensation – has transferred it to the bank account specified by the owner of immovable property or deposited into a deposit account of a sworn bailiff, or deposited into a bank account in accordance with the procedures laid down in Section 33 of this Law.

[14 April 2016]

Section 16. (1) When corroborating property rights in the Land Register to the immovable property which has been alienated on the basis of the law on alienation of the specific immovable property, the respective immovable property shall be transferred in possession of

the State or local government free from any encumbrances and charges which were imposed on the immovable property as a result of obligations (including by extinguishing all debt obligations, pledge rights, notations regarding the securing of a claim, insolvency notations registered to this immovable property, prohibitions of persons directing proceedings, encumbrances imposed as a condition when acquiring the property, as well as the rights corroborated on the basis of a lease, rental, maintenance, and inheritance contracts) and with regard to which the institution has not directly notified that it assumes the respective encumbrances and charges.

(2) Rental contracts concluded by the former owner of immovable property with regard to which the institution has been informed on the day of evaluation of immovable property shall be binding upon the institution.

(3) Encumbrances and charges resulting from the nature of the property shall be maintained with regard to this immovable property.

[14 April 2016]

Section 17. (1) The former owner of immovable property shall vacate the immovable property within the period of time specified in the contract for voluntary alienation of this property, provided that the institution has fulfilled its obligations under the respective contract, or within 20 days from the day when it has disbursed the compensation and provided the former owner of the immovable property with an equivalent residential space in accordance with Section 28 of this Law.

(2) If the former owner of immovable property fails to vacate the immovable property within the period of time determined in Paragraph one of this Section, the institution has the right to apply to a court with a statement of claim regarding being placed into possession of acquired immovable property.

[14 April 2016]

Chapter III Determination and Contestation of the Compensation

Section 18. (1) In order to inform an owner of immovable property of the need to alienate immovable property or part thereof for ensuring public needs and determine a compensation, the institution shall send a notification of the need to alienate this property or part thereof (hereinafter – the notification) to the owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property, or, if their place of residence is not known, publish the notification in the official gazette *Latvijas Vēstnesis*, and in the case of alienation of a residential house, the notification shall be placed at the residential house to be alienated.

(2) The notification shall include the following:

1) the information regarding those public needs for the ensuring of which the immovable property is necessary;

2) the information regarding the documents which confirm that the respective immovable property is necessary to implement a project envisaged for ensuring public needs;

3) the information regarding the necessary share of immovable property;

4) the invitation for the owner of the immovable property to participate in the determination of the compensation;

5) the invitation for the owner of the immovable property to provide information regarding the concluded rental contracts and other encumbrances;

6) any other information which the institution deems necessary to indicate.

(3) If it is necessary to alienate part of immovable property for public needs, the notification shall additionally include assessment of the circumstances referred to in Section 6, Paragraph one of this Law, a graphic material showing borders of the part of the respective immovable

property to be alienated and an invitation for the owner of the immovable property to provide information regarding whether he or she agrees to the alienation of the immovable property shall be attached.

(4) The institution shall indicate in the notification the period of time within which the owner of the immovable property provides the information referred to in Paragraph two, Clauses 4 and 5 and Paragraph three of this Section. The period of time for the provision of information shall be at least 30 days from the day when the notification has been received or published in the official gazette *Latvijas Vēstnesis*.

(5) If it is necessary to re-determine the compensation in accordance with Section 9, Paragraph two of this Law, the institution has the right to include in the notification only the legal grounds for re-determination of the compensation and an invitation for the owner of the immovable property to participate in the determination of the compensation, as well as provide information regarding the concluded rental contracts and any other encumbrances within 30 days from the day when the notification has been received or published in the official gazette *Latvijas Vēstnesis*.

[14 April 2016]

Section 19. (1) If the owner of the immovable property fails to provide the information referred to in Section 18, Paragraph two of this Law within the specified period of time or notifies that he or she will not participate in the determination of the compensation, the immovable property shall be evaluated by taking into account the information which the institution may obtain without participation of the owner of the immovable property and which characterises this property as at the day of inspection thereof.

(2) If the value of the immovable property has changed as a result of activities carried out by the institution in performing design work in accordance with Section 8, Paragraph two, Clause 2 of this Law, then during evaluation of the immovable property the regard shall be had to the information which characterised this property on the day when the notification referred to in Section 18 of this Law was sent.

[14 April 2016]

Section 20. (1) The institution shall determine a compensation for the immovable property to be alienated by taking into consideration an evaluation of a certified appraiser of immovable property and losses caused to the owner of the immovable property.

(2) The Cabinet shall issue regulations governing procedures for determining a just compensation.

Section 21. The compensation shall be determined for the former owner of the immovable property which ensures a financial situation equivalent to his or her former financial situation.

Section 22. (1) The compensation shall consist of the market value of the immovable property and the compensation for losses caused to the owner of the immovable property in relation to alienation of immovable property, and if part of the immovable property is alienated – in relation to use of the alienated immovable property.

(2) The market value of the immovable property, except for the case referred to in Section 19, Paragraph two of this Law, shall be determined in accordance with the use of the immovable property initiated in compliance with the requirements of laws and regulations as at the day of inspection thereof, in accordance with Section 23, Paragraph two, Clause 5 of this Law.

(3) [14 April 2016]

[14 April 2016]

Section 23. (1) When evaluating immovable property, the evaluation thereof shall indicate and analyse all the information characterising the immovable property, including the information provided by the owner of the immovable property.

(2) Immovable property shall be evaluated by assessing its:

- 1) composition, communications, facilities, technical condition and degree of wear and tear;
- 2) location and use of immovable property initiated in compliance with requirements of laws and regulations;
- 3) encumbrances and charges which will be maintained in accordance with Section 16 of this Law;
- 4) profitability;
- 5) possibilities of construction and economic use if the owner of the immovable property has carried out activities to use these possibilities.

Section 24. (1) In cases when required by the owner of the immovable property, the institution is entitled to, at its own expense, construct engineering structures and engineering communications or disburse a compensation which is necessary to eliminate losses and inconveniences that the former owner or other persons may incur in relation to the alienation of immovable property.

(2) Losses which the institution has intended to eliminate and eliminates in accordance with Paragraph one of this Section shall not be included in amount of the compensation.

Section 25. (1) Losses caused to the owner of the immovable property shall be determined in accordance with the Civil Law.

(2) In any case, the following shall be deemed as the losses:

- 1) the expenses incurred by the owner of the immovable property as a result of alienation of this property (moving expenses, notarial expenses related to the acquisition of another immovable property, corroboration thereof in the Land Register and re-registration of encumbrances and charges of the alienated immovable property, State duties, office fees, and other expenses) in their actual amount but not exceeding average prices of the area;
- 2) the reduction in the value of the remaining part of the immovable property and compensation for changes in its use (loss of access or expenses related to establishment of new access, changes with regard to encumbrances and charges, restrictions with regard to the use specified in the local government spatial plan, and other changes) in case of alienation of part of the immovable property.

Section 26. (1) The institution shall disburse the compensation in the form of non-cash settlement or, upon agreement with the owner of the immovable property, use another fair type of awarding compensation:

- 1) offering other equivalent immovable property;
- 2) disbursing part of the compensation in cash and compensating for the other part by means of another immovable property;
- 3) using any other type of awarding compensation which is favourable to both parties, except for the case when the pledge right has been corroborated to the immovable property.

(2) If the pledge right has been corroborated to the immovable property, consent of the person in favour of whom the pledge right has been corroborated to the immovable property shall be required in the cases referred to in Paragraph one, Clauses 1 and 2 of this Law. If the consent has not been received, the institution shall disburse the compensation in the form of non-cash settlement. A notification regarding distribution of the compensation determined by the institution shall also be required in the case referred to in Paragraph one, Clause 2 of this Section.

[14 April 2016]

Section 27. (1) The owner of the immovable property may contest amount of the compensation determined by the institution before court in accordance with the claim procedures after taking of the decision referred to in Section 9, Paragraph one of this Law, but not later than within 20 days from the day the law on alienation of the specific immovable property has come into force.

(2) The court shall examine a dispute regarding the compensation determined by the institution and amount of the compensation to be disbursed in accordance with the procedures laid down in the Civil Procedure Law.

(3) When determining the compensation, the court shall take into account the condition of the immovable property as at the day of inspection thereof, except for the case referred to in Section 19, Paragraph two of this Law. The court shall determine the compensation as at the day when the compensation has been determined by the institution.

[14 April 2016]

Section 28. (1) Unless the institution agrees with the owner of the immovable property otherwise or unless another residential space is granted as a compensation for alienation of immovable property, the institution shall be obliged to provide the owner of the immovable property with an equivalent residential space, provided that in the alienated residential space:

1) its former owner lived and had declared it as his or her place of residence as at the day of alienation and at the day of taking of the decision referred to in Section 9, Paragraph one of this Law;

2) its former owner lived and had declared it as his or her place of residence as at the day of alienation, and provided that he or she did not own any other residential space as at the day of alienation.

(2) The right to an equivalent residential space shall be maintained until the day when the former owner of the immovable property acquires another residential space but not longer than a year after disbursement of the compensation or for a period of time until the compensation is deposited into an account of a sworn bailiff. The institution shall cover a rental payment for the provided residential space, if any, in the relevant period of time.

(3) The former owner of the immovable property shall lose the right to an equivalent residential space, provided that he or she has been offered at least three different equivalent residential spaces and he or she has refused these offers or has failed to respond to the received offers within the period of time specified by the institution.

[14 April 2016]

Chapter IV Disbursement of Compensation

Section 29. (1) The institution shall disburse the compensation immediately, but not later than within 20 days after the contract for voluntary alienation of immovable property has been concluded or the law on alienation of the specific immovable property has come into force.

(2) If a prohibition notation regarding imposition of attachment on the property has been entered in the respective division of the Land Register with regard to the immovable property, the institution shall coordinate disbursement of the compensation with the person directing proceedings.

[14 April 2016 / See Paragraph 5 of Transitional Provisions]

Section 29.¹ (1) If a contract for voluntary alienation of immovable property has been concluded between the owner of the immovable property and the institution, the institution shall disburse the compensation in accordance with the procedures for awarding compensation laid down in the contract also in cases when the pledge right has been corroborated to the immovable

property and a notification regarding distribution of the compensation determined by the institution has been received by the conclusion of the contract for voluntary alienation of immovable property.

(2) If the immovable property has been alienated on the basis of the law on alienation of the specific immovable property and the pledge right has not been corroborated to this immovable property, the institution shall transfer the compensation to a bank account specified by the owner of the immovable property or deposited into a bank account in accordance with Section 33 of this Law.

[14 April 2016 / See Paragraph 5 of Transitional Provisions]

Section 29.² (1) If the pledge right has been corroborated to the immovable property and, by the conclusion of the contract for voluntary alienation of immovable property, a notification regarding distribution of the compensation determined by the institution has not been received or the immovable property has been alienated on the basis of the law on alienation of the specific immovable property, the compensation determined by the institution shall be disbursed in accordance with the procedures laid down in this Section.

(2) The institution shall disburse a part of the compensation determined by the institution which consists of the market value of the immovable property by depositing it into an account of a sworn bailiff for three years, and notify thereof the former owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property. The institution shall submit to the sworn bailiff an application for depositing the compensation into the account of the sworn bailiff and a copy of division of the Land Register of the immovable property for the purpose of disbursement of part of the determined compensation by depositing it into account of the sworn bailiff. The application shall indicate information regarding the owner of the immovable property and the person in favour of whom the pledge right has been corroborated to the immovable property, an amount of the compensation to be deposited and the bank account specified by the owner of the immovable property and the bank account of the institution.

(3) The institution shall disburse a part of the compensation determined by the institution which consists of the compensation for losses caused to the owner of the immovable property in relation to alienation of the immovable property and, in case of alienation of part of the immovable property – in relation to the use of the alienated immovable property, to the former owner of the immovable property to the bank account specified by him or her, or deposit it into a bank account in accordance with Section 33 of this Law.

(4) A sworn bailiff shall perform disbursement from a deposit account prior to the period of time referred to in Paragraph two of this Section on the basis of an execution document and taking into account that the deposited compensation is to be distributed in accordance with the same procedures as laid down in the Civil Procedure Law for distributing the money received from the sale of immovable property encumbered with a pledge, or on the basis of a notification regarding distribution of the compensation determined by the institution. Disbursement based on the notification regarding distribution of the compensation determined by the institution shall only be acceptable in the amount of the sum which is due to the persons referred to in the notification after covering claims that are to be given preference in comparison with the claims of these persons.

(5) If an attachment is imposed on property of the former owner of the immovable property, the compensation deposited into the account of the sworn bailiff shall be transferred to the person directing proceedings to act in accordance with provisions of the Criminal Procedure Law.

(6) The compensation deposited into the account of the sworn bailiff shall be transferred to an administrator of insolvency proceedings to act in accordance with provisions of the Insolvency Law, provided that insolvency proceedings have been declared with regard to the former owner of the immovable property. Extinguishing of the pledge right in the cases specified in this Law shall not, in itself, affect the right of the person, in favour of whom the pledge right was

corroborated to the immovable property, as a creditor in insolvency proceedings in compliance with the principle of the preservation of rights enforced in Section 6 of the Insolvency Law.

(7) At the beginning of the last year of the period of time referred to in Paragraph two of this Section the sworn bailiff shall send to the declared place of residence or legal address of the former owner of the immovable property and the person, in favour of whom the pledge right has been corroborated to the immovable property, an invitation to agree on distribution of the compensation and to submit a notification regarding distribution of the compensation determined by the institution, and inform of the consequences referred to in Paragraph eight of this Section and Section 29.³.

(8) If the compensation deposited into the account of the sworn bailiff has not been disbursed in the cases provided for in this Law prior to expiry of the period of time referred to in Paragraph two of this Section, the sworn bailiff shall disburse the deposited compensation or remaining part thereof to the former owner of the immovable property to the account specified in the application of the institution for depositing compensation into account of the sworn bailiff. If the account of the former owner of the immovable property is not known, the compensation shall be transferred back to the institution to act in accordance with Section 33 of this Law.

[14 April 2016 / See Paragraph 5 of Transitional Provisions]

Section 29.³ Starting from the last year of the period of time referred to in Section 29.², Paragraph two of this Law, the restrictions referred to in Section 7.¹ of this Law shall not be applicable to the person in favour of whom the pledge right has been corroborated to the immovable property.

[14 April 2016 / See Paragraph 5 of Transitional Provisions]

Section 30. [14 April 2016]

Section 31. [14 April 2016]

Section 32. [14 April 2016]

Section 33. If the place of residence of the former owner of the immovable property is not known or he or she has failed to provide information regarding his or her bank account, the compensation shall be transferred to the bank account opened for this purpose and, on request, disbursed to the former owner of the immovable property, his or her heirs or successors. If the former owner of the immovable property, his or her heirs or successors have not asked to disburse the compensation within 10 years from the day of depositing thereof, the compensation shall be transferred to the State or local government budget.

Chapter V

Transfer Back of the Alienated Immovable Property

Section 34. (1) If the institution recognises the respective immovable property or part thereof as unnecessary within a year from the day when property rights of the State or a local government to the alienated immovable property have been corroborated in the Land Register, the former owner may recover the alienated immovable property by repaying the received compensation.

(2) If improvements have been made to the alienated immovable property, the former owner of the immovable property may exercise the rights referred to in Paragraph one of this Section by reimbursing the institution for expenses of improvements with which the immovable property has been transferred back.

(3) After expiry of the period of time referred to in Paragraph one of this Section the former owner has the right of first refusal to the alienated immovable property.

Section 35. The institution shall send a notification regarding a possibility to recover the immovable property to the former owner of the immovable property or, if his or her place of residence is not known, publish it in the official gazette *Latvijas Vēstnesis*. The notification shall indicate the composition of the immovable property, expenses of the improvements made to the immovable property which will be preserved, encumbrances and charges, as well as specify a period of time of 30 days for provision of reply from the day when the notification is received or published in the official gazette *Latvijas Vēstnesis*.
[14 April 2016]

Section 36. If the former owner of the immovable property fails to respond within the period of time specified in Section 35 of this Law or does not wish to recover the immovable property, this property shall remain in possession of the State or a local government.

Section 37. (1) If the former owner of the immovable property exercises the rights referred to in Section 34 of this Law, the institution shall, within three months from the day of conclusion of the contract for transfer back of the immovable property to its former owner (unless parties to the contract agree otherwise), be obliged to ensure that the immovable property to be transferred back corresponds to the composition of the immovable property specified in the notification referred to in Section 35 of this Law.
(2) The institution shall cover expenses related to the corroboration of the property rights to the immovable property to be transferred back in the Land Register in the name of the former owner of such property.

Section 38. Exercise of the rights referred to in Section 34 of this Law may not, in itself, serve as a basis for disbursement of the compensation determined by the institution from the deposit account of the sworn bailiff.
[14 April 2016]

Transitional Provisions

1. With the coming into force of this Law, the following are repealed:
 - 1) the law On Expropriation of Immovable Property for State or Public Needs (*Latvijas Republikas Augstākās Padomes un Valdības Ziņotājs*, 1992, Nos. 39/40/41; *Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs*, 2005, No. 14);
 - 2) the decision of the Supreme Council of the Republic of Latvia dated 15 September 1992, On Procedures for Coming into Force of the Law of the Republic of Latvia On Expropriation of Immovable Property for State or Public Needs (*Latvijas Republikas Augstākās Padomes un Valdības Ziņotājs*, 1992, Nos. 39/40/41; *Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs*, 1997, No. 3).
2. This Law shall not be applicable to the procedures for alienating immovable property in which an agreement has been reached on the essential elements of a contract for voluntary alienation of immovable property for public need until the day of coming into force of this Law.
3. Legal relationships resulting from the procedures for expropriating immovable property initiated until the day of coming into force of this Law shall be discussed in accordance with the law On Expropriation of Immovable Property for State or Public Needs.
4. If until the day of coming into force of this Law the law on expropriation of the specific immovable property has been adopted and has come into force, the respective immovable property shall be expropriated and any disputes resulting from alienation of this property shall

be settled in accordance with the law On Expropriation of Immovable Property for State or Public Needs.

5. If the decision of the Cabinet or a local government referred to in Section 9 of this Law has been taken until 31 May 2016, then the alienation procedures, which were in force until 31 May 2016, shall be applicable to the alienation of such immovable property for public needs, except for the following cases:

1) if the institution and the owner of the immovable property have not yet concluded a contract for alienation of immovable property, then the wording of Section 7.¹, Section 11, Paragraphs four, five, six and seven, Sections 12, 12.¹, 29, 29.¹, 29.², and 29.³ of this Law which is in force from 1 June 2016 shall be applicable to the procedures for concluding a contract for alienation of immovable property and disbursing compensation;

2) if the law on expropriation of the specific immovable property comes into force after 1 June 2016, then the institution shall disburse the compensation in accordance with the procedures laid down in Sections 29, 29.¹, 29.², and 29.³ of this Law. If the institution and the owner of the immovable property agree on voluntary alienation of immovable property until adoption of the law on alienation of the specific immovable property, then the wording of Section 7.¹, Section 11, Paragraphs four, five, six, and seven, Sections 12, 12.¹, 29, 29.¹, 29.², and 29.³ of this Law which is in force from 1 June 2016 shall be applicable to the procedures for concluding a contract for alienation of immovable property and disbursing compensation.

[14 April 2016]

This Law shall come into force on 1 January 2011.

This Law has been adopted by the *Saeima* on 14 October 2010.

President V. Zatlers

Rīga, 3 November 2010