

RELEASE 160-2/2022

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20 February 2023

## Prices of dwellings in new residential buildings

### *The third quarter 2022*

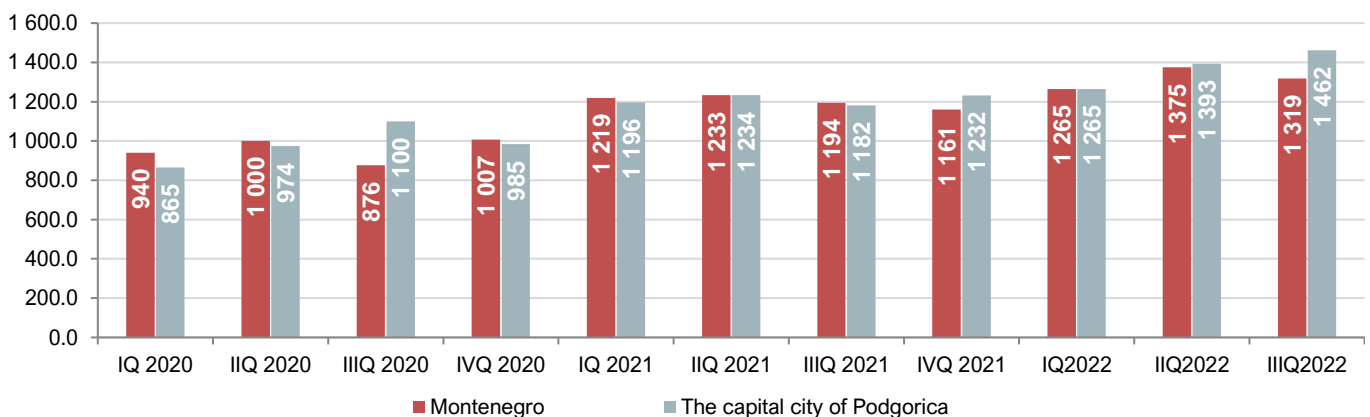
According to the methodology of survey „Prices of dwellings in new residential buildings“ in the calculation of average price per square meter of dwellings in new residential building are taken only dwellings that were sold on the market for the first time, or for which a purchase contract was concluded for the first time. The subject of this survey is not the existing (old) dwellings, as well as other types of real estate: business facilities, land and others. The survey does not reflect the supply and demand of new dwellings on the market, than the prices calculated on the basis of concluded contracts of sale.

The average price per square meter of dwellings in new residential building in Montenegro in third quarter 2022 was 1 319 EUR, in Podgorica was 1 462 EUR, in coastal region was 1 079 EUR, in central region 612 EUR, while the average price of dwellings in new residential building in northern region was 1 279 EUR.

The average price of dwellings in new residential building significantly depend on the share of solidarity housing development dwellings. If the share of these dwellings increased, the average price of dwellings in new residential building will be significantly lower, or if this share decreased, the average price will be higher.

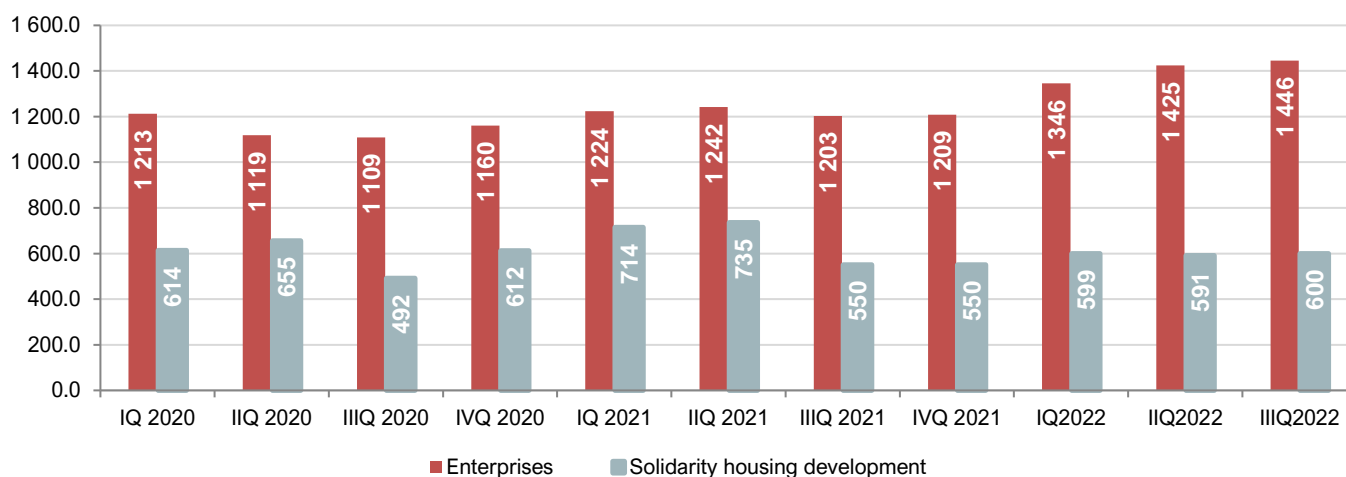
In this release is shown the average price per the square meter of dwelling in new residential building according to the following categories: enterprises (average market price) and solidarity housing development. The average price per square meter of dwellings in new residential building in Montenegro in category enterprises in third quarter 2022 was 1 446 EUR, while in category solidarity housing development was 600 EUR.

**Graph 1.** Average price of dwelling in new residential buildings, in EUR



**Table 1.** Average prices per square meter of dwellings in new residential buildings by region<sup>1</sup>, in EUR, III quarter 2022

	Average prices per 1m <sup>2</sup> in EUR	Price for arranging construction land	Price of construction works	Other costs
	(1)=(2)+(3)+(4)	(2)	(3)	(4)
<b>Montenegro (average)</b>	<b>1 319</b>	<b>148</b>	<b>1 032</b>	<b>139</b>
Enterprises (average market)	1 446	174	1 125	147
Solidarity housing development <sup>2</sup>	600	0	503	97
<b>The capital city of Podgorica (average)</b>	<b>1 462</b>	<b>154</b>	<b>1 157</b>	<b>151</b>
Enterprises (average market)	1 469	155	1 161	153
Solidarity housing development	600	0	600	0
<b>Coastal region (average)</b>	<b>1 079</b>	<b>135</b>	<b>827</b>	<b>117</b>
Enterprises (average market)	1 409	228	1 052	129
Solidarity housing development	600	0	500	100
<b>Central region (average)</b>	<b>612</b>	<b>120</b>	<b>432</b>	<b>60</b>
Enterprises (average market)	612	120	432	60
Solidarity housing development	-	-	-	-
<b>Northern region (average)</b>	<b>1 279</b>	<b>210</b>	<b>854</b>	<b>215</b>
Enterprises (average market)	1 279	210	854	215
Solidarity housing development	-	-	-	-

**Graph 1.** Average price of dwelling in new residential buildings in Montenegro, by category, in EUR

**1 Coastal region:** Bar, Budva, Herceg Novi, Kotor, Tivat and Ulcinj.

**Central region:** Cetinje, Danilovgrad, Nikšić, Tuzi and Zeta.

**Northern region:** Andrijevica, Berane, Bijelo Polje, Gusinje, Kolašin, Mojkovac, Petnjica, Plav, Pljevlja, Plužine, Rožaje, Šavnik and Žabljak.

**2** Solidarity housing development includes the sale of dwellings by housing cooperatives and organizations in cooperation with local self-governments (municipalities) or other institutions, under more favorable conditions. Construction is done for the state institutions needs, organization and enterprises i.e. employed in these institutions in all municipalities of Montenegro.

- No occurrence

## METHODOLOGICAL NOTES

The presented data are collected by the survey on price of dwelling in new residential building (GRADJ-41). The survey is implemented using reporting method and cover sold dwellings in new residential building, i.e. dwellings for which a sale contract has been concluded between investor and buyer (for the first time sold dwelling). The focus of this survey is neither existing (old) dwellings, nor other types of real estate: business facilities, land, and others.

For the purpose of appropriate access to the data use, there should be noted that the published prices (prices per 1 m<sup>2</sup>) are average prices, therefore, they are a result of different characteristics of construction and differences in the month in which the contract sale was concluded in one territory (of region and Montenegro).

The aim of the survey on average prices per square meter of dwelling in new construction is not to measure prices as a reflection of supply and demand for new dwellings on the market, than to measure the price level of dwellings sold in new buildings for which contract of sale have been concluded.

All prices represent the nominal expression of value from sale and they are expressed per 1m<sup>2</sup> of useful (residential) area.

The average price of dwellings in new residential building includes dwellings sold by enterprises, as well as dwellings sold by solidarity housing development institution.

The average price of dwellings in new residential building significantly depend on the share of solidarity housing development dwellings. If the share of these dwellings increased, the average price of dwellings in new residential building will be significantly lower, or if this share decreases, the average price will be higher.

The average market price of dwellings in new residential building covers dwellings sold by enterprises, without dwellings sold by solidarity housing development institution.

The total price of dwelling covers price of constructing arranging the construction land, price of construction works and other costs.

The price of arranging construction land includes the following elements: land acquisition, demolition, preparation detailed urban plans and projects, the field testing, repair works, arrangement of environment around the building, communal equipping of land.

Price of construction works includes all construction works and profits of investors per 1 m<sup>2</sup> of usefull floor area, craft-finishing and installation works on buildings and dwellings.

Other costs include all construction costs such as contributions and taxes for connections to the electricity grid and other communal facilities, taxes for obtaining building permits, VAT, the cost of projecting the building, the interest on the loans and advances and etc.

The data are released according to the [Statistical Release Calendar](#).

According to the Revision Policy of the Statistical Office, the final data shall be released with the date defined by the Statistical Release Calendar.

When using the data, state:

"Data source: Statistical Office - MONSTAT"

*More data, as well as detailed methodological notes can be found in the section: [Prices of dwellings in new residential buildings](#)*