Prices of dwellings in new residential buildings
The III quarter of 2017

The average price of dwellings in new residential building in Montenegro in the III quarter of 2017 was 1 142 EUR increased by 8.0% compared with the III quarter of previous year, while it is 3.6% increase compared with the II quarter of current year.

The differences in average prices of dwellings in new residential buildings significantly depend on the involvement of dwellings of Montenegrin fund for solidarity housing development. If the share of these dwellings increased, the price of dwellings in new residential buildings is significantly lower than the average market price, or if this share decreased, the average market price will be higher.

Graph 1. Average prices of dwelling in new residential buildings in EUR

Table 1. Average prices of dwellings in new residential buildings by towns in EUR 1)
III quarter 2017

<table>
<thead>
<tr>
<th>Town</th>
<th>Prices per 1m² in EUR</th>
<th>Price for arranging construction land</th>
<th>Price of construction works</th>
<th>Other costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Montenegro</td>
<td>1 142</td>
<td>290</td>
<td>685</td>
<td>167</td>
</tr>
<tr>
<td>Podgorica</td>
<td>1 146</td>
<td>300</td>
<td>642</td>
<td>204</td>
</tr>
<tr>
<td>Bar</td>
<td>1 178</td>
<td>210</td>
<td>875</td>
<td>93</td>
</tr>
<tr>
<td>Budva</td>
<td>1 250</td>
<td>213</td>
<td>925</td>
<td>112</td>
</tr>
<tr>
<td>Other 2)</td>
<td>1 064</td>
<td>321</td>
<td>643</td>
<td>100</td>
</tr>
</tbody>
</table>

1) The data presented are only for selected towns with existing sold dwellings in new residential buildings.
2) The data under this item refer to Bijelo Polje, Herceg Novi, Tivat and Ulcinj.
METHODOLOGICAL EXPLANATIONS

Data source, coverage and definitions

The data presented are collected under quarterly report on prices of dwellings in new residential buildings GRADJ-41 covering sold dwellings in new residential buildings, i.e. dwellings on the basis of sale contract. For the purpose of appropriate access to the data use, there should be noted that the prices published (prices per 1 m²) are average prices, thus they are the result of different characteristics of construction and differences in a month when the sale contract was concluded at one territory (of town and Montenegro).

All prices represent nominal expression of value from sale contract (without revalorization), and they are expressed per 1m² of useful (housing) area.

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 terrain around the building, communal equipping of land.

Price of construction works includes all construction works and profits of investors per 1 m² of floor space, 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.