Prices of dwellings in new residential buildings
The fourth quarter of 2014

The average price of dwellings in new residential building in Montenegro in the fourth quarter of 2014 was 1,037 EUR decreased by 16.1% compared with the same quarter of previous year, while it is 7.2% decreased compared with the third quarter of current year.

The decline in prices in the fourth quarter of 2014 was mostly influenced by the decline in prices of dwellings in Budva. The average price per square meter of dwelling in new residential buildings in Budva in the fourth quarter of 2014 decreased by 44% compared to the fourth quarter of 2013.

The number of sold dwellings in new residential buildings in Montenegro in the fourth quarter of 2014 was 225, while in the third quarter of current year was 244 which is lower for 7.8%. The biggest number of sold dwellings in new residential buildings is realised in the Capital city Podgorica and it was 196, while in other municipalities sold 29 dwellings.

Graph 1. Average prices of dwelling in new residential buildings in EUR
### Average prices of dwellings in new residential buildings by towns in EUR ¹)

**IV quarter 2014**

<table>
<thead>
<tr>
<th>Town</th>
<th>Number of sold dwellings</th>
<th>Useful area of dwellings in m²</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>225</td>
<td>12 802</td>
<td>1 037</td>
<td>231</td>
<td>662</td>
<td>144</td>
</tr>
<tr>
<td>Podgorica</td>
<td>196</td>
<td>11 078</td>
<td>1 036</td>
<td>218</td>
<td>659</td>
<td>159</td>
</tr>
<tr>
<td>Bar</td>
<td>9</td>
<td>518</td>
<td>1 180</td>
<td>285</td>
<td>650</td>
<td>245</td>
</tr>
<tr>
<td>Budva</td>
<td>9</td>
<td>560</td>
<td>1 365</td>
<td>283</td>
<td>992</td>
<td>90</td>
</tr>
<tr>
<td>Niksic</td>
<td>10</td>
<td>576</td>
<td>539</td>
<td>116</td>
<td>383</td>
<td>40</td>
</tr>
</tbody>
</table>

¹ The data presented are only for selected towns with existing sold dwellings in new residential buildings

### 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.