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QUARTERLY REPORT

Herceg Novi Real Estate Market Report — Q2 2026

Detailed analysis of prices, trends and investment opportunities in the real estate market in Herceg Novi. Data updated quarterly.

Updated: November 2026 | Next update: October 2026 | Herceg Novi, Montenegro

AVERAGE PRICE/M²

3,190 €

▲ +10.3% YoY

AVERAGE APARTMENT PRICE

197,780 €

▲ +10.3% YoY

RENTAL YIELD

4.1%

▼ -0.35% YoY

ACTIVE LISTINGS

1,343

Q2 2026

Data for **Q2 2026** are published. Next report: October 2026

Herceg Novi Economic Profile 2026

Key macroeconomic and demographic indicators

POPULATION

30,000

Montenegro Statistical Office, Census 2023

AVERAGE GROSS SALARY

€1,156

▲ 0.7% YoY

Ø Q2 '26

TOURIST OVERNIGHTS Q2 '26

285,843

21.9% of the covered coast

Herceg Novi Apartment Prices by Type — Q2 2026

Average for Q2 2026

Below are the average apartment prices in Herceg Novi by type, based on active listings on Estitor.

PROPERTY TYPE	AVG PRICE/M²	AVG TOTAL PRICE	ANNUAL TREND	LISTINGS
Studios	3,581 €/m²	119,714 €	**+26.8%**	38
One-Bedroom Apartments	3,334 €/m²	166,008 €	**+14.7%**	557
Two-Bedroom Apartments	3,074 €/m²	232,179 €	**+7.6%**	480
Three-Bedroom Apartments	2,626 €/m²	320,990 €	**-7.5%**	165

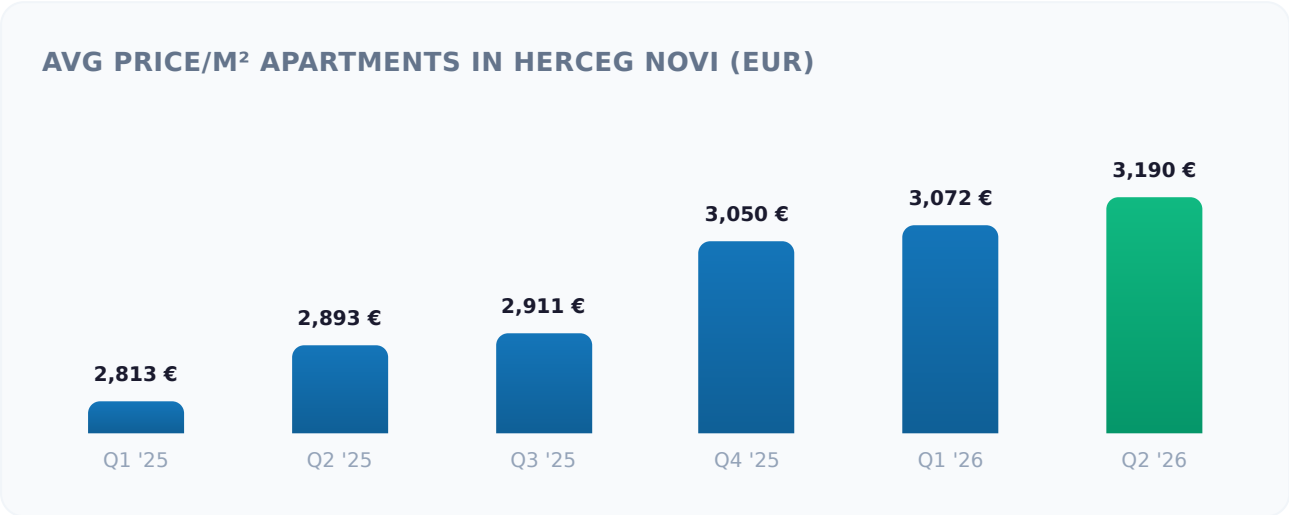
Listings = ads included in the average-price calculation; the sum may differ from total active listings.

Note: Average prices are calculated based on the prices of active listings on the Estitor platform and do not include negotiation discounts, which average 5-10%.

Browse 1,343 apartments for sale in Herceg Novi →

Herceg Novi Property Price History

Avg price/m² trend for apartments



Quarterly Price Change Trend in Herceg Novi:

Price per m² in Herceg Novi has increased by 10.3% over the last 12 months (from 2,893 €/m² to 3,190 €/m²).

PERIOD	AVG PRICE/M²	QUARTERLY CHANGE	YOY CHANGE
Q2 2026	**3,190 €**	**+3.9%**	**+10.3%**
Q1 2026	**3,072 €**	**+0.7%**	**+9.2%**
Q4 2025	**3,050 €**	**+4.8%**	—
Q3 2025	**2,911 €**	**+0.6%**	—
Q2 2025	**2,893 €**	**+2.8%**	—
Q1 2025	**2,813 €**	—	—

Herceg Novi Neighborhood & Location Analysis

Prices and trends by location

Herceg Novi obuhvata više atraktivnih lokacija, od zdravstveno-turističkog Igala do historijskog centra i mirnih naselja poput Savine i Bijele. Svaka zona ima posebnu dinamiku cijena i ciljnu grupu kupaca.

Đenovići — RISING

Per m²:	**3,443 €/m²**
YoY change:	**+15.8%**
Active listings:	**225**

Topla — RISING

Per m²:	**3,015 €/m²**
YoY change:	**+15.4%**
Active listings:	**182**

Igalo — RISING

Per m²:	**3,238 €/m²**
YoY change:	**+21.1%**
Active listings:	**167**

Kumbor — DECLINING

Per m²:	**3,114 €/m²**
YoY change:	**-7.4%**
Active listings:	**162**

Bijela — RISING

Per m²:	**2,868 €/m²**
YoY change:	**+12.5%**
Active listings:	**94**

Baošići — RISING

Per m²:	**3,393 €/m²**
YoY change:	**+7.2%**
Active listings:	**83**

Centar — DECLINING

Per m²:	**3,048 €/m²**
YoY change:	**-4.4%**
Active listings:	**66**

Savina — DECLINING

Per m²:	**3,665 €/m²**
YoY change:	**-5.8%**
Active listings:	**49**

Meljine — DECLINING

Per m²:	**4,173 €/m²**

Njivice — STABLE

Per m²:	**3,949 €/m²**

YoY change: **-9.2%**
Active listings: **40**

YoY change: **+2.3%**
Active listings: **21**

Kamenari — RISING

Per m²: **2,962 €/m²**
YoY change: **+23.1%**
Active listings: **20**

Gomila —

Per m²: **2,089 €/m²**
YoY change: **—**
Active listings: **12**

📎 Listings = ads included in the average-price calculation; the sum may differ from total active listings.

Herceg Novi Investment Potential & Rental ROI

ROI analysis and investment opportunities

Rental yield by municipality / neighbourhood

MUNICIPALITY	AVG PRICE/M²	AVG RENT/M²	AVG SIZE	GROSS YIELD
Đenovići	3,443 €	11 €	65 m²	**3.8%**
Topla	3,015 €	10 €	62 m²	**4.0%**
Igalo	3,238 €	11 €	66 m²	**4.1%**
Kumbor	3,114 €	13 €	53 m²	**5.0%**
Bijela	2,868 €	11 €	57 m²	**4.6%**
Centar	3,048 €	10 €	70 m²	**3.9%**
Meljine	4,173 €	10 €	48 m²	**2.9%**

Investment Example Calculation

Average apartment of 62m² in Herceg Novi — based on current market data.

Purchase price

197,780 €

62m² x 3,190 €

Annual rental income

8,184 €

gross income

Gross yield

4.1%

annually

5-year projection

321,433 €

with 10.2% annual growth

Disclaimer: These projections are based on historical trends and do not guarantee future results.

Purchase Costs in Herceg Novi

ITEM	AMOUNT	NOTE
Property transfer tax	**3% – 6%**	Progressive scale for values above €150,000
VAT (new build)	**21%**	Already included in price; 3% transfer tax does not apply
Notary fees	**~€400 – €700**	Mandatory, set by notary tariff
Land registry fee	**€50 – €200**	Administrative fees for title registration
Agency commission	**3% – 6%**	Not fixed; paid by buyer, seller, or both
Legal fees	**€500 – €2,000+**	Recommended for legal security

Purchasing power and apartment prices

Can local salaries keep up with apartment prices?

AFFORDABILITY INDEX

How far does a local salary go toward buying an apartment



~**171** salaries for a 62m² apartment

🟠 A coastal investment market — prices significantly exceed local purchasing power.

GROSS SALARY TREND (€)

Quarterly overview — Herceg Novi



Montenegro Statistical Office — MSP 7/2026 (Apr–Jun 2026)

Ø SALARY Q2 '26	ANNUAL CHANGE
€1,156	**+0.7%**

Average gross salary (Herceg Novi) is €1,156 (Ø Q2 '26), 0.7% growth (Q2 vs 2025). April: €1,142, May: €1,158, June: €1,168.

GROSS SALARY — HERCEG NOVI 2026

PERIOD	SALARY	SOURCE
April '26	**€1,142**	📎
May '26	**€1,158**	📎
June '26	**€1,168**	📎
Q2 '26 avg	**€1,156**	📊

📎 Montenegro Statistical Office data. Q2 Ø = average of Apr, May and Jun.

Herceg Novi Property Buying Guide

Step-by-step process for domestic and foreign buyers

Purchase Process

1. **Property search & selection** — Browse listings via agencies and platforms, analyse location and prices, schedule viewings.
2. **Negotiation & offer** — Agree on price, timeline and conditions with the seller.
3. **Legal check (due diligence)** — Verify ownership at the land registry, any liens or mortgages, building and occupancy permits, and potential legal restrictions or disputes.
4. **Preliminary contract (optional)** — Sign a preliminary contract with a deposit (typically ~10%) while final checks are completed.
5. **Foreign buyer registration number** — Foreign buyers must obtain a registration number from the Tax Authority, required for the transaction and tax obligations.
6. **Notarisation of the purchase agreement** — The contract is signed before a notary. For foreign nationals who do not speak the official language, a licensed court interpreter is legally required.

7 **Payment & land registry** — Payment is made exclusively via bank transfer, after which the notary submits the title registration request.

Required Documentation

- Identity document (ID card or passport)
- Registration number (for foreign buyers)
- Proof of address (if required)
- Proof of source of funds (required by the bank for the transaction)
- Property sheet (land registry extract)
- Building and occupancy permit (if applicable)
- Energy certificate (if available)
- Marriage certificate (if applicable, with translation)
- Power of attorney (if one party is not present)
- Court interpreter (for foreign buyers)
- Confirmation of local bank account (from which the transfer is made)

Important notes:

- Payment is made via bank transfer, with mandatory proof of source of funds in line with anti-money laundering regulations.
- Foreign buyers can freely purchase property, except for certain categories of land (e.g. agricultural land).
- The notary plays a key role in validating the transaction and initiating the registration process.

The property purchase process in Montenegro is well-defined and relatively standardised, but requires careful legal verification and compliance with banking and tax procedures, especially for foreign investors.

Herceg Novi Real Estate Forecast 2026

What to expect in the real estate market

Based on current trends, macroeconomic indicators and development plans, we expect moderate price growth in Herceg Novi real estate during 2026. Average

asking price: 3,190 €/m², with variations by location and property type.

Key Factors Affecting the Herceg Novi Market — Backed by Data

Second coastal destination ↑ POSITIVE

Herceg Novi is the second coastal destination with 285,843 overnight stays (21.9% of the covered coast, Q2 '26, May & June prelim.), right behind Budva.

MSR 7/2026

Health tourism ↑ POSITIVE

Igalo and the "Dr Simo Milošević" Institute extend the season beyond summer (spa and wellness tourism), sustaining accommodation demand.

Dr Simo Milošević Institute, Igalo

Mild climate & foreign buyers ↑ POSITIVE

A Mediterranean climate, greenery, and proximity to Dubrovnik and the airport attract foreign buyers and retirees.

Geographic & climate advantage

Stable salary, slight growth → NEUTRAL

Average gross salary €1,156 (+0.7% YoY) — a slight uptick, with local purchasing power essentially unchanged.

MSR 7/2026

Price Projections for 2026

Starting price: 3,190 €/m² (Q2 2026, average). Projections based on historical trend and Montenegro Statistical Office indicators.

SCENARIO	EXPECTED ANNUAL GROWTH	AVG PRICE/M² END OF 2026	PROBABILITY
Optimistic	+12-14%	3,605 €/m²	25%
Base BASE	+9-11%	3,509 €/m²	55%
Conservative	+6-8%	3,413 €/m²	20%

Disclaimer: Based on official Montenegro Statistical Office data (Monthly Statistical Review 7/2026). They do not constitute financial advice and do not guarantee future

results. Actual price growth depends on global macroeconomic conditions, geopolitical situation and local regulatory changes.

❓ Frequently Asked Questions

Frequently asked questions about real estate in Herceg Novi

What is the average price of apartments in the city of Herceg Novi?

Based on analysis of **1343 active listings**, the average price for **an apartment** in the city of Herceg Novi is **3,190 €/m²**.

Is now the right time to buy apartments in the city of Herceg Novi?

Analyzing current market data, property prices in the city of Herceg Novi show steady growth of 10.3% annually.
Sales velocity: A listing of **an apartment** stays on the market for **45-60 days** before it is removed.

How profitable is buying apartments in the city of Herceg Novi as an investment?

The average monthly rent is **682 €**. The estimated average annual gross return on investment (ROI) is **4.1%**, excluding property value appreciation.

What is the average property price in Herceg Novi in 2026?

According to Estitor data for Q2 2026, the average apartment price in Herceg Novi is about 3,190 €/m². Prices vary by location — Meljine sees the highest prices (~4,173 €/m²), while Gomila offers more affordable options (~2,089 €/m²).

Are property prices in Herceg Novi rising or falling?

Prices continue to rise through 2026, supported by strong tourist traffic — Herceg Novi accounts for 21.9% of overnight stays in the coastal municipalities this report covers (Q2 '26, May & June preliminary), second on the coast. A mild climate, health tourism (Igalo) and its position at the entrance to the Bay of Kotor sustain demand.

Which areas are best for investment in Herceg Novi?

The highest gross rental yield is currently recorded in Kumbor (~5.0%), based on the displayed rental data. A detailed yield-by-neighborhood breakdown is shown in the rental-yield table above.

Can foreigners buy property in Herceg Novi?

Yes, foreigners can buy property in Montenegro with the same rights as citizens. A foreigner's registration number from the Tax Administration is required. The procedure usually takes 30-60 days.

What is the average rental yield in Herceg Novi?

The average gross rental yield in Herceg Novi is approximately 4.1% per year, based on the ratio of average rent to sale price (see the rental-yield table above). Igalo has a particular advantage, as health tourism extends the rental season beyond the summer months.

Methodology: Data in this report is based on analysis of active and sold listings on the Estitor platform, publicly available data from the Real Estate Directorate of Montenegro, and aggregated data from partner agencies. Prices represent asking prices from active listings and may differ from final transaction prices. The report is automatically updated at the beginning of each quarter.

Last updated: Q2 2026 | **Next update:** October 2026

Previous reports

- Q1/2026