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QUARTERLY REPORT

Herceg Novi Real Estate Market Report — Q1 2026

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

Updated: March 2026 · Next update: July 2026 · Herceg Novi, Montenegro

AVERAGE PRICE/M²	AVERAGE APARTMENT PRICE
3,072 €	196,608 €
▲ +9.2% YoY	▲ +9.2% YoY

RENTAL YIELD	ACTIVE LISTINGS
3.9%	1,346
▼ -0.43% YoY	Q1 2026

Data for **Q1 2026** are published. Next report: July 2026

Herceg Novi Economic Profile 2026

Key macroeconomic and demographic indicators

POPULATION

30,000

Montenegro Statistical Office, Census 2023

AVERAGE GROSS SALARY

€1,143

▲ 2.2% YoY

Ø Jan–Feb '26

TOURIST OVERNIGHTS JAN–FEB

~8,833

11.6% of coastal share

Herceg Novi Apartment Prices by Type — Q1 2026

Average for Q1 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	3,540 €/m²	101,920 €	**+20.8%**	36
One-Bedroom Apartments	3,245 €/m²	155,196 €	**+10.7%**	545
Two-Bedroom Apartments	2,921 €/m²	221,824 €	**+2.6%**	479
Three-Bedroom Apartments	2,825 €/m²	317,403 €	**+15.4%**	168

📎 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 1,346 apartments for sale in Herceg Novi →

Herceg Novi Property Price History

Avg price/m² trend for apartments

AVG PRICE/M² APARTMENTS IN HERCEG NOVI (EUR)

Quarterly Price Change Trend in Herceg Novi:

Price per m² in Herceg Novi has increased by 9.2% over the last 12 months (from 2,813 €/m² to 3,072 €/m²).

PERIOD	AVG PRICE/M²	QUARTERLY CHANGE	YOY CHANGE
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:	**3,189 €/m²**
YoY change:	**+13.5%**
Active listings:	**221**

Topla

STABLE

Per m²:	**2,824 €/m²**
YoY change:	**+4.9%**
Active listings:	**188**

Igalo

RISING

Per m²:	**3,028 €/m²**
YoY change:	**+14.8%**
Active listings:	**160**

Kumbor

DECLINING

Per m²:	**3,580 €/m²**
YoY change:	**-7.3%**
Active listings:	**155**

📎 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
Igalo	3,028 €	9 €	69 m²	3.6%

Investment Example Calculation

Average apartment of 64m² in Herceg Novi — based on current market data.

Purchase price
196,608 €
64m² x 3,072 €

Annual rental income
7,680 €
gross income

Gross yield
3.9%
annually

5-year projection
269,370 €
with 6.5% 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

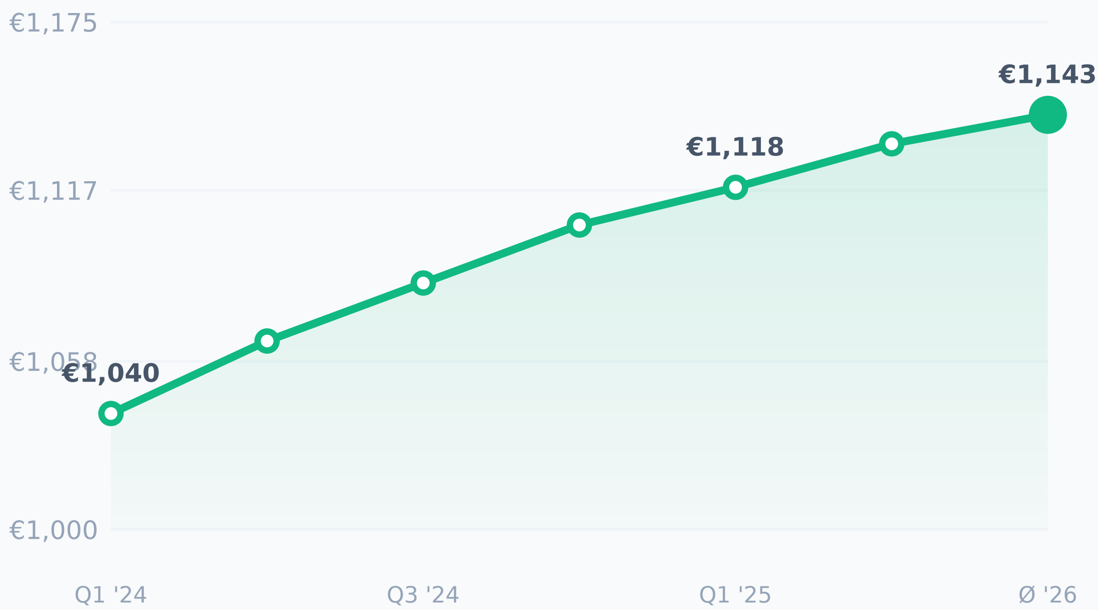
How far does a local salary go toward buying an apartment

~**96** salaries for a 50m² apartment

🔴 A 50m² apartment costs ~96 average gross salaries. Herceg Novi attracts buyers from the region and abroad.

GROSS SALARY TREND (€)

Quarterly overview — Herceg Novi



📎 *Montenegro Statistical Office — MSP 3/2026 (Jan–Feb 2026)*

Ø SALARY Q1 '26	ANNUAL CHANGE
€1,143	**+2.2%**

Average gross salary in Herceg Novi shows 2.2% annual growth (Ø Jan–Feb '26 vs. Q1 '25): Jan €1,130, Feb €1,156.

GROSS SALARY — HERCEG NOVI 2026

PERIOD	SALARY	SOURCE
January '26	**€1,130**	📎
February '26	**€1,156**	📎
Q1 '26 avg	**€1,143**	📊

📎 Montenegro Statistical Office data. Q1 Ø = average of available months (January, February).

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: <strong class="text-gray-700">3,072 €/m², with variations by location and property type.

Key Factors Affecting the Herceg Novi Market — Backed by Data

Proximity to Dubrovnik and Croatia ↑ POSITIVE

The Croatian border and proximity to Dubrovnik attract EU buyers and tourists year-round.

Health and wellness tourism ↑ POSITIVE

Igalo is a regional health-tourism hub (Institut Dr Simo Milošević), securing steady demand for short-term rentals.

Boka Bay luxury segment ↑ POSITIVE

The Bay of Kotor (UNESCO) remains a premium destination for foreign investors and diaspora buyers.

EU integration ↑ POSITIVE

Montenegro's progress toward EU membership is increasing investor interest from EU countries, especially for the Boka area.

Price Projections for 2026

Starting price: 3,072 €/m² (Q1 2026, average). Projections based on historical trend and Montenegro Statistical Office indicators.

SCENARIO	EXPECTED ANNUAL GROWTH	AVG PRICE/M² END OF 2026	PROBABILITY
Optimistic	**+11-13%**	**3,441 €/m²**	**25%**
Base BASE	**+8-10%**	**3,348 €/m²**	**55%**
Conservative	**+5-7%**	**3,256 €/m²**	**20%**

Disclaimer: Based on official Montenegro Statistical Office data (Monthly Statistical Review 3/2026). 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 **1346 active listings**, the average price for **an apartment** in the city of Herceg Novi is **3,072 €/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 9.2% 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 **640 €**. The estimated average annual gross return on investment (ROI) is **3.9%**, excluding property value appreciation.

Kolika je prosječna cijena nekretnine u Herceg Novom u 2026?

Prosječna cijena stana u Herceg Novom iznosi oko 2.200 EUR/m² (Q1 2026). Stari Grad bilježi cijene do 5.000 EUR/m², dok okolna naselja poput Baošića i Kamenara nude pristupačnije opcije od 1.400-2.200 EUR/m².

Da li cijene nekretnina u Herceg Novom rastu ili padaju?

Cijene bilježe rast od 6,3% na godišnjem nivou. Herceg Novi je atraktivan zahvaljujući blagoj klimi, zdravstvenom turizmu (Igalo) i poziciji na ulazu u Bokokotorski zaliv.

Koji su najbolji kvartovi za investiciju?

Baošići i Kamenari nude najniže ulazne cijene sa visokim potencijalom rasta (+8-9% godišnje). Savina nudi premium lokaciju blizu Starog Grada. Igalo je stabilan izbor zahvaljujući zdravstvenom turizmu koji traje duže od ljetne sezone.

Mogu li stranci kupiti nekretninu u Herceg Novom?

Da, stranci mogu kupiti nekretninu u Crnoj Gori sa istim pravima kao i državljani. Potreban je evidencioni broj stranca iz Poreske uprave.

Koliki je prosječan prinos od najma?

Prosječan bruto prinos kreće se od 5% do 9% godišnje. Igalo ima posebnu prednost jer zdravstveni turizam produžava sezonu najma izvan ljetnjih mjeseci.

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: Q1 2026 | **Next update:** July 2026

Previous reports

- Q2/2026