

GUIDE TO PROPERTY PURCHASE COSTS IN MONTENEGRO



Purchasing property in Montenegro is a simple process and APLACEINMONTENEGRO.COM team will ensure your purchase runs as smoothly as possible.

ABOUT US

APLACEINMONTENEGRO.COM offers comprehensive and professional services in the area of property sales and marketing, market research and project consultancy.

Our experienced, multilingual team has been involved in the real estate market in Montenegro over the last twelve years and has a proven and consistent track record of success that includes over 500 successful property sales to date to satisfied buyers from around the world.

For larger projects, we collaborate with clients to design and implement a tailored, full-service marketing strategy, utilizing our relationships with traditional and new media outlets.

Over the years, our team members have provided property services to practically all of the large investors already in Montenegro, to the Government and banking institutions.

Disclaimer: This information is for general informative purposes only. Whilst reasonable care is taken to ensure that the information contained herein is accurate, the information is provided for guidance only and APLACEINMONTENEGRO.COM accepts no liability whatsoever for any direct or consequential loss arising from its use.

Information and local laws change periodically, and any intending purchasers should not rely on them as statements or representations of facts, but must satisfy themselves by inspection or otherwise to the correctness of each of them and we recommend that each purchaser seeks independent legal advice before proceeding with any purchase.

RESERVATION DEPOSIT

- Usually €3,000 - €10,000
- This deposit makes part of the agreed property purchase price.

LAWYER FEES

- Approximately €1,000 for a purchase of mid-size apartment;
- Please make sure you agree lawyer's fees before appointment.

POWER OF ATTORNEY

- Approximately €50 to €120 including the translation.

NOTARY FEE FOR THE VERIFICATION OF THE SALES AND PURCHASE CONTRACT

- 0,00 - 5.000,00 = 70 €
- 5.001,00 - 20.000,00 = 120 €
- 20.001,00 - 40.000,00 = 170 €
- 40.001,00 - 60.000,00 = 250 €
- 60.001,00 - 80.000,00 = 300€
- 80.001,00 - 120.000,00 = 350€
- For the property valued above €120,000 for each increase of property price of €15,000 the fee is increased by €10.
- The maximum Notary fee chargeable for the verification of the Sales and Purchase Contract is €5,000.

TRANSLATION OF THE POWER OF ATTORNEY AND CONTRACT

- Translation of these documents must be done by a certified court translator. The average price per page is approximately €20, depending on the number of characters per page;
- A standard agreement is usually written on 5 pages;
- Any additional changes to the contract requested by buyers, are also chargeable;
- Usually translation costs in total come up to approximately €100-€200.

BANK CHARGES FOR THE MONEY TRANSFER

- Bank charges for the money transfer to Montenegro vary from one bank to another, and we encourage buyers to explore various options to see which fits them best.

CADASTRE TAXES AND EXPENSES

- Cadastre taxes are €15 on average

REAL ESTATE TRANSFER TAX (RETT)

- The Real Estate Transfer Tax for the purchase of a resale property is set at 3% of the value of the property and this is payable by the buyer;
- The value of the property is determined by the Local Municipality Tax Authority and usually matches the price listed in the Sales and Purchase Contract;
- This payment must be made within 15 days from the signing of the Sales and Purchase Contract;
- Where the client is purchasing a property which has not been sold before, from a Developer who is a VAT paying legal entity, the client will be exempt from RETT on the full sales price and RETT is calculated on the portion of the land which the client is purchasing. Your lawyer will make sure that this is stated in your contract.

ANNUAL REAL ESTATE TAX

- The annual real estate tax rate can range from 0.1% to 1.00% of the real estate market value. The real estate market value is determined by the authorized taxation body of a Local Municipality and payable annually. The percentage is determined according to property specifications, age and location.

