Batumi Residential Real Estate

2Q25 OVERVIEW

Eva Bochorishvili
Head of Research | evabochorishvili@gt.ge | +995 32 2401 111 ext. 8036

Zuka Tavkelishvili
Research Associate | ztavkelishvilii@gt.ge | +995 32 2401 111 ext. 8973

Otar Tsukhishvili
Senior Analyst | otsukhishvili@gt.ge | +995 32 2401 111 ext. 3018

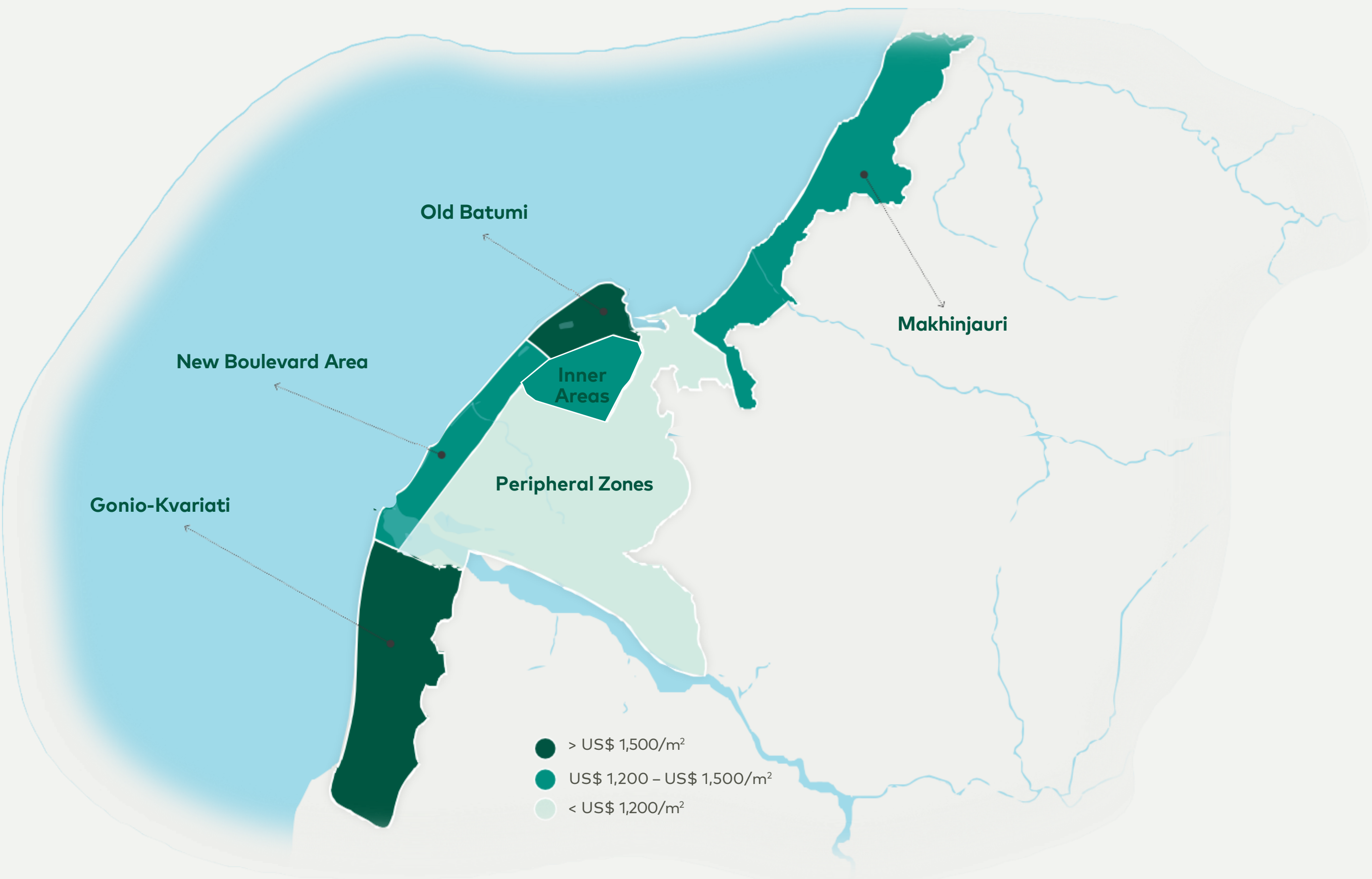
Key Figures in Batumi

	2Q23	2Q24	2Q25
Sales # of apartments	3,934	3,670	4,018
Primary	2,195	2,134	2,123
Secondary	1,739	1,536	1,895
Price US$ / m^2	$1,244	$1,400	$1,547
Rent US$ / m^2	n/a	$11.7	$11.9

GALT & TAGGART
CREATING OPPORTUNITIES

Note: Prices are given for the primary market white frame apartments

Real estate sale patterns in 2Q25



OLD BATUMI

Number of sales
262 apartments
Average price
2,231 us$ / m²
Average rent
12.0 us$ / m²

GONIO-KVARIATI

Number of sales
103 apartments
Average price
1,715 us$ / m²
Average rent
N/A

NEW BOULEVARD AREA

Number of sales
2,187 apartments
Average price
1,445 us$ / m²
Average rent
12.3 us$ / m²

INNER AREAS

Number of sales
805 apartments
Average price
1,320 us$ / m²
Average rent
10.8 us$ / m²

MAKHINJAURI

Number of sales
239 apartments
Average price
1,296 us$ / m²
Average rent
N/A

PERIPHERAL ZONES

Number of sales
422 apartments
Average price
1,005 us$ / m²
Average rent
11.5 us$ / m²

KOBULETI

Number of sales
128 apartments
Average price
1,233 us$ / m²
Average rent
N/A

Note: Batumi includes Makhinjauri and Gonio-Kvariati areas

2Q25 Overview

Summary

Following a rebound in 1Q25, Batumi's residential real estate sales continued to grow in 2Q25 on both primary and secondary markets. Sales were up by 13.1% on primary market and 23.4% y/y on secondary market, partially reflecting last year's low base. Prices continued to rise in both markets, with a 2.7% q/q increase in the primary market. Meanwhile, rent prices rose by 1.6% y/y in Jun-25, keeping rental yields high compared to peer cities.

Real estate sales

In 2Q25, the number of sold apartments in Batumi, according to the Public Registry, stood at 4,018 units, up by 9.5% y/y, of which:

- Sales on the secondary market, which show real time dynamics rose by 23.4% y/y.
- Sales on the primary market, where data is impacted by delayed registrations, decreased by -0.5% y/y.

Our real-time survey of developers, which captures current trends on primary market, mirrors the secondary market, showing a 13.1% increase in the number of sold apartments in 2Q25. Cumulatively, primary market sales were up 37.3% y/y in 1H25.

Prices

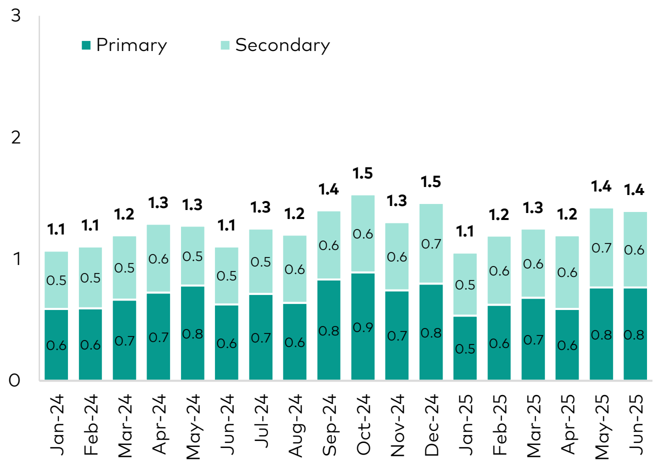
In Jun-25, the average price per square meter on the primary market reached $1,427, reflecting a 2.7% q/q increase and a 13.5% y/y rise. Similarly, the average price on the secondary market (for new buildings constructed with permits issued after 2013) reached $1,307, up by 0.7% q/q and up by 11.5% y/y.

Rents

In Jun-25, price for renting an average apartment (50-60 sq.m.) in Batumi increased by 1.6% y/y, reaching $11.9 per sq.m..

Real estate sales

Figure 1: Number of sold apartments by month, '000



Source: NAPR, Galt & Taggart

Figure 2: Number of sold apartments by year, '000

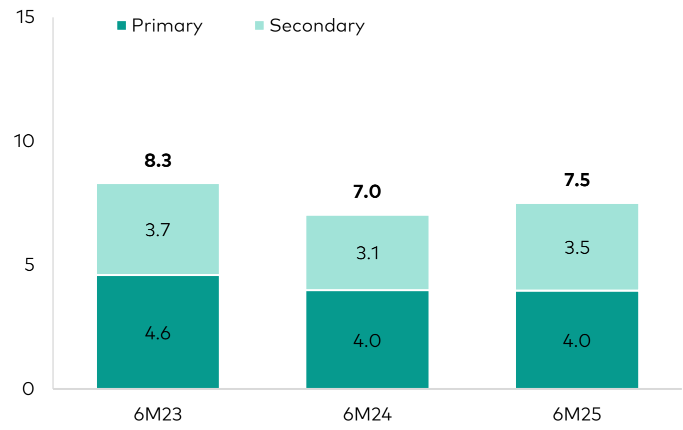


Figure 3: Real estate market size by month, US$ mn

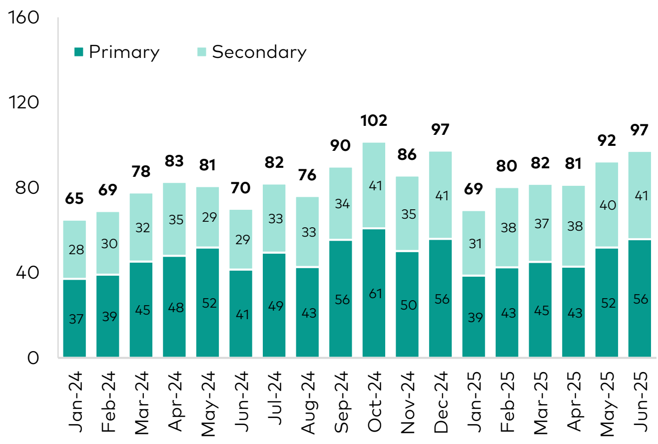
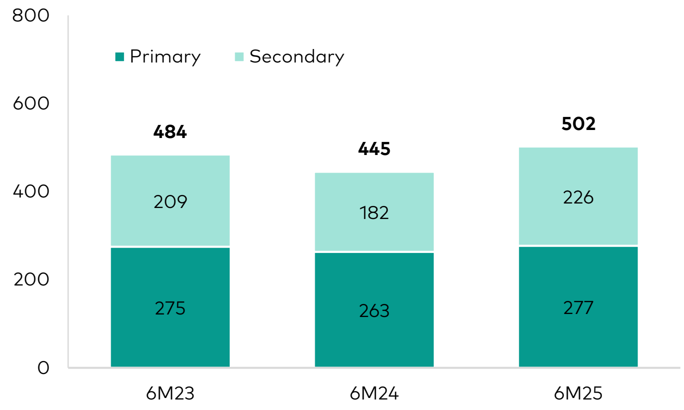


Figure 4: Real estate market size by year, US$ mn



Source: NAPR, Galt & Taggart

Primary market - real estate sales made directly between buyers and developers

Secondary market - real estate sales made between individuals

Apartment sales statistics based on NAPR data has the drawback of late registrations of primary sales, which impacts the accuracy of the number of sales statistics. To address this issue, we systematically conduct surveys of selected systematic developers and monitor real-time market dynamics.

Survey of systematic developers by Galt & Taggart

In July 2025, we conducted a survey of systematic developers with over 20 residential construction projects in Batumi.

Based on survey results:

- In 2Q25, apartment sales rose, with the number of sold units up by 13.1% y/y to 346.
- Cumulatively, in 1H25, 773 apartments were sold in selected developers' projects, up by 37.3% y/y.
- In 2Q25, total area of sold apartments also increased, up by 26.3% y/y to 14,736 sq.m.
- Cumulatively, in 1H25, total area sold stood at 31,607 sq.m, up by 40.9% y/y.

Figure 5: Number of sold apartments in projects of selected developers by months

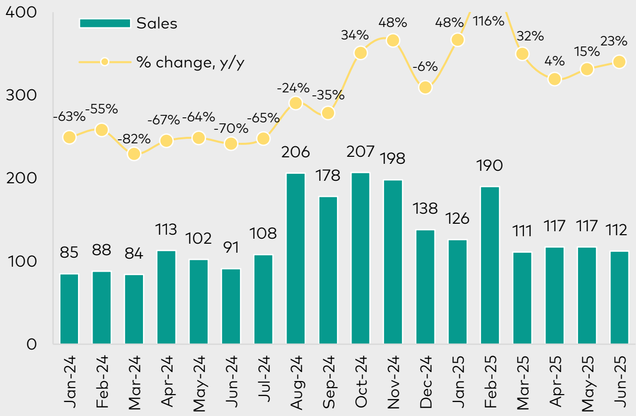
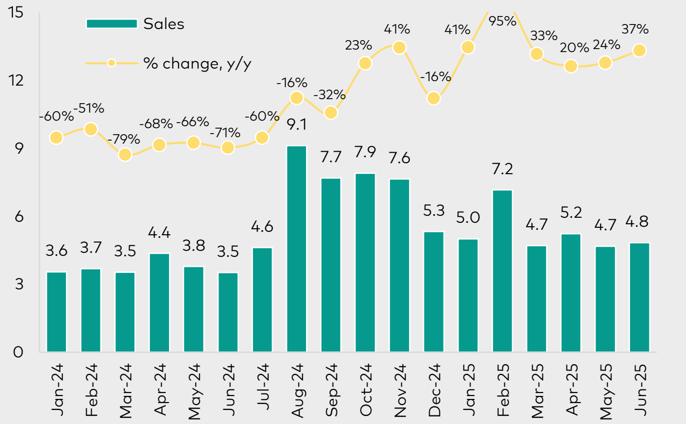


Figure 6: Area of sold apartments in projects of selected developers by months, '000 sq.m.



Source: Galt & Taggart survey of selected developers

Prices & Rents

Figure 7: Real estate weighted average prices by type, US$/sq.m.

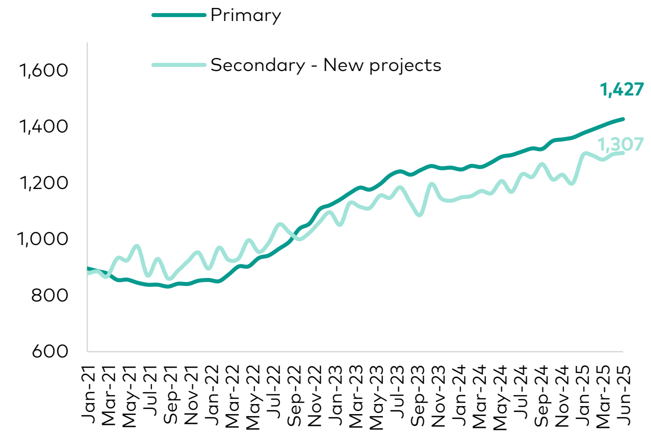
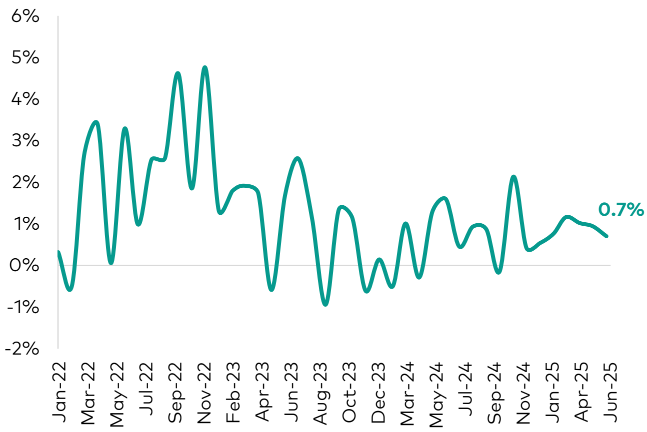


Figure 8: Monthly price change on the primary marke % change m/m



Source: NAPR, Galt & Taggart

Figure 9: Real estate weighted average rent price in Batumi, US$/sq.m.

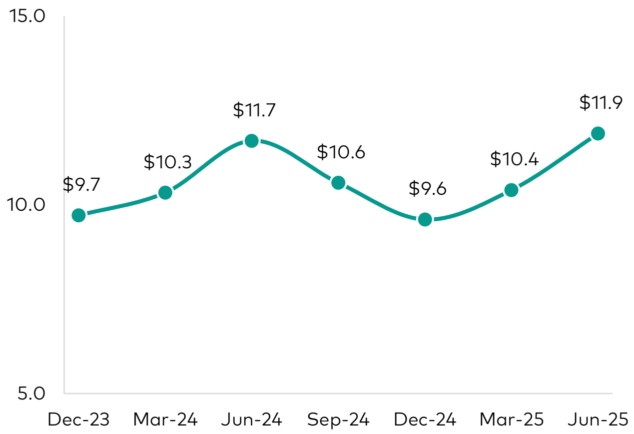
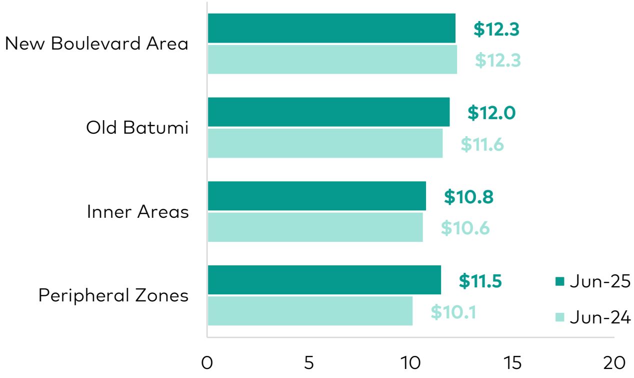


Figure 10: Real estate weighted average rent prices by districts, US$/sq.m.

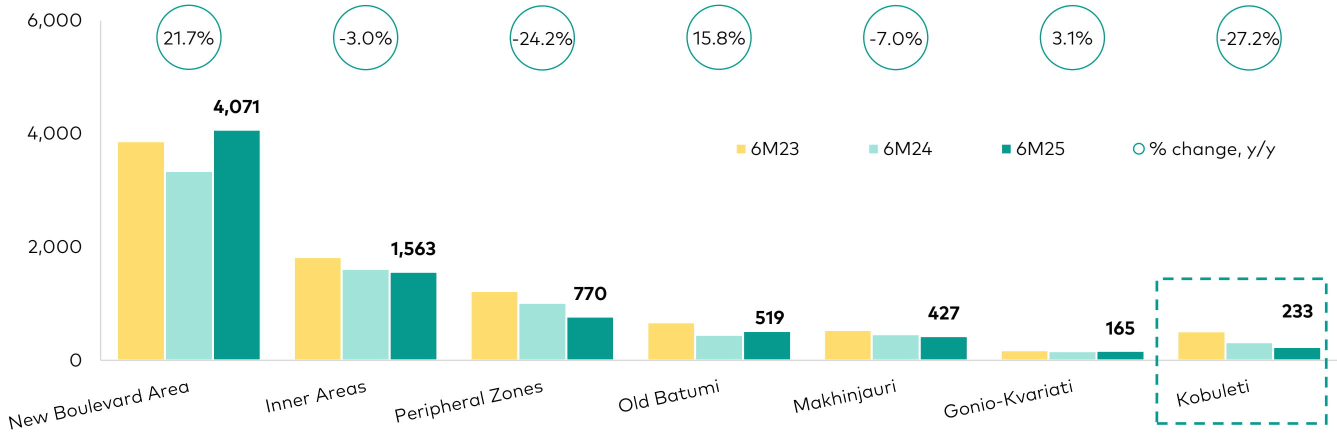


Source: Numbeo, Galt & Taggart

Note: Rents are displayed for 30-60 m^2 apartments in Batumi. Some districts are excluded due to small sizes of samples

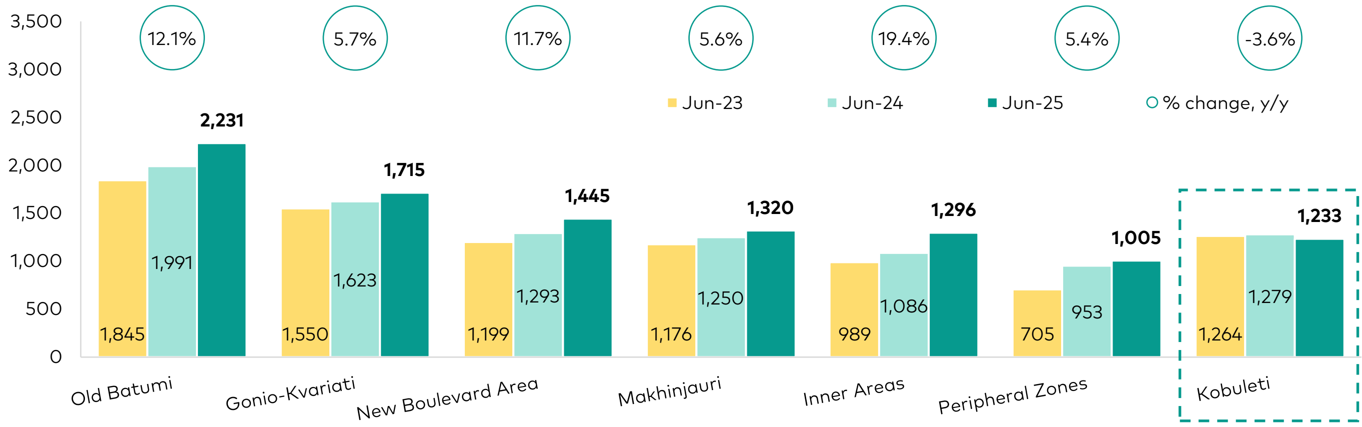
Districts in Batumi

Figure 11: Number of sold apartments by districts (primary and secondary markets combined)



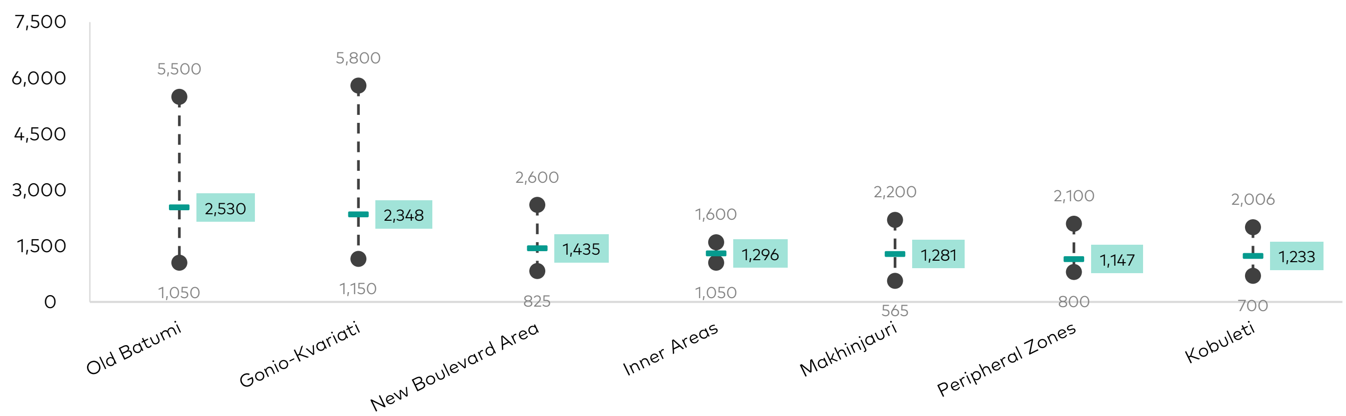
Source: NAPR, Galt & Taggart

Figure 12: Real estate prices on primary market for white frame apartments by districts, US$/sq.m.



Source: Galt & Taggart

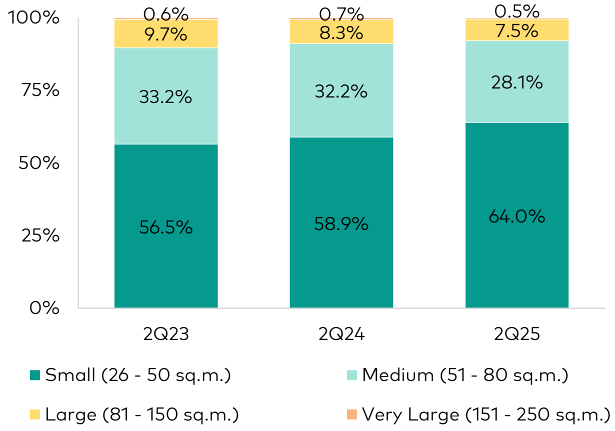
Figure 13: Real estate price ranges on primary market by districts in Jun-25, US$/sq.m.



Source: Galt & Taggart

Real estate characteristics

Figure 14: Real estate sales by size, (% of total apartments sold)



Source: NAPR, Galt & Taggart

Figure 15: Real estate sales by segments, (% of total apartments sold)

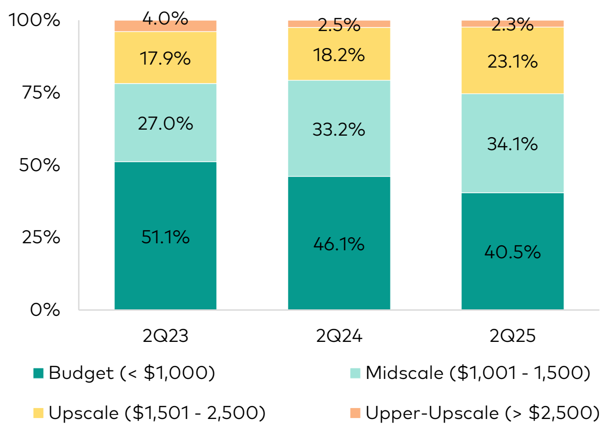
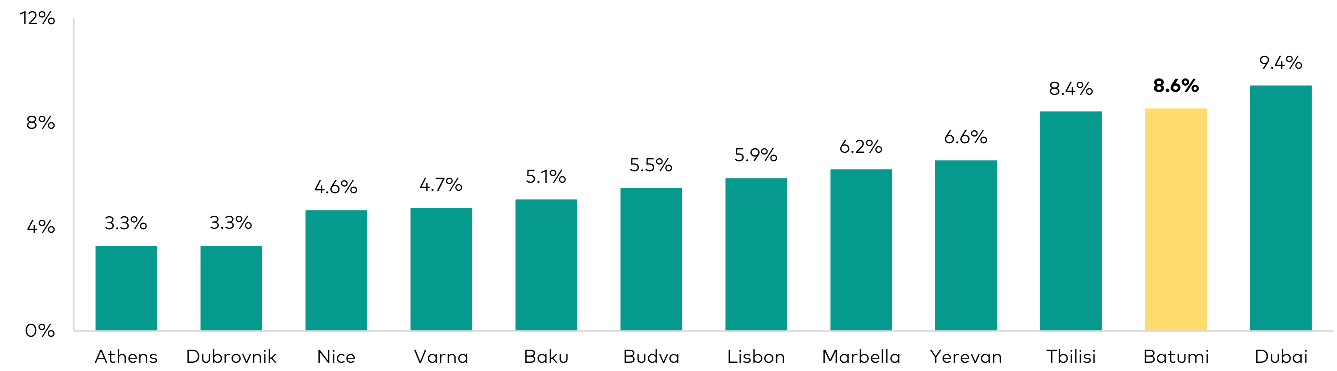
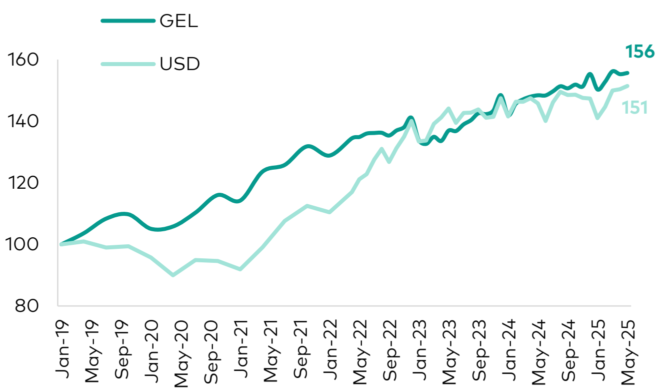


Figure 16: Rental yield by cities, Jun-25



Source: NBG, Galt & Taggart

Figure 17: Construction cost index, 1Q19=100



	y/y growth May-25, US$	m/m growth May-25, US$
Total construction cost	**3.9%**	**0.7%**
Construction materials	*1.1%*	*0.8%*
Wages	*16.8%*	*1.3%*
Machinery	*7.8%*	*0.4%*
Transportation, fuel and electricity	*-4.0%*	*-1.2%*
Other costs	*2.5%*	*0.9%*

Source: Geostat, Galt & Taggart

Disclaimer

This document is the property of and has been prepared by JSC Galt & Taggart ("Galt & Taggart"), a member of Lion Finance Group PLC ('Group") solely for informational purposes and independently of the respective companies mentioned herein. This document does not constitute or form part of, and should not be construed as, an offer or solicitation or invitation of an offer to buy, sell or subscribe for any securities or assets and nothing contained herein shall form the basis of any contract or commitment whatsoever or shall be considered as a recommendation to take any such actions.

Galt & Taggart is authorized to perform professional activities on the Georgian market. The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by Galt & Taggart to inform themselves about and to observe any and all restrictions applicable to them. This document is not directed to, or intended for distribution, directly or indirectly, to, or use by, any person or entity that is a citizen or resident located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

Investments (or any short-term transactions) in emerging markets involve significant risk and volatility and may not be suitable for everyone. The recipients of this document must make their own investment decisions as they believe appropriate based on their specific objectives and financial situation. When doing so, such recipients should be sure to make their own assessment of the risks inherent in emerging market investments, including potential political and economic instability, other political risks including without limitation changes to laws and tariffs, and nationalization of assets, and currency exchange risk.

No representation, warranty or undertaking, express or implied, is or will be made by Galt & Taggart or any other member of the Group or their respective directors, employees, affiliates, advisers or agents or any other person as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of this document and the information contained herein (and whether any information has been omitted from this document) and no reliance should be placed on it. This document should not be considered as a complete description of the markets, industries and/or companies referred to herein. Nothing contained in this document is, is to be construed as, or shall be relied on as legal, investment, business or tax advice, whether relating to the past or the future, by Galt & Taggart any other member of the Group or any of their respective directors, employees, affiliates, advisers or agents in any respect. Recipients are required to make their own independent investigation and appraisal of the matters discussed herein. Any investment decision should be made at the investor's sole discretion. To the extent permitted by law, Galt & Taggart, any other member of the Group and their respective directors, employees, affiliates, advisers and agents disclaim all liability whatsoever (in negligence or otherwise) for any loss or damages however arising, directly or indirectly, from any use of this document or its contents or otherwise arising in connection with this document, or for any act, or failure to act, by any party, on the basis of this document.

The information in this document is subject to verification, completion and change without notice and Galt & Taggart is not under any obligation to update or keep current the information contained herein. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the information since the date hereof or the date upon which this document has been most recently updated, or that the information contained in this document is correct as at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. No representation or warranty, expressed or implied, is made by Galt & Taggart or any other member of the Group, or any of their respective directors, employees, affiliates, advisers or agents with respect to the accuracy or completeness of such information.

The information provided and opinions expressed in this document are based on the information available as of the issue date and are solely those of Galt & Taggart as part of its internal research coverage. Opinions, forecasts and estimates contained herein are based on information obtained from third party sources believed to be reliable and in good faith, and may change without notice. Third party publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. Accordingly, undue reliance should not be placed on any such data contained in this document. Neither Galt & Taggart, any other member of the Group, nor their respective directors, employees, affiliates, advisors or agents make any representation or warranty, express or implied, of this document's usefulness in predicting the future performance, or in estimating the current or future value, of any security or asset.

Galt & Taggart does, and seeks to do, and any other member of the Group may or seek to do business with companies covered in its research. As a result, investors should be aware of a potential conflict of interest that may affect the objectivity of the information contained in this document.

Unauthorized copying, distribution, publication or retransmission of all or any part of this document by any medium or in any form for any purpose is strictly prohibited.

The recipients of this document are responsible for protecting against viruses and other destructive items. Receipt of the electronic transmission is at risk of the recipient and it is his/her responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Head of Research
Eva Bochorishvili | evabochorishvili@gt.ge

Research Associate
Zuka Tavkelishvili | ztavkelishvili@gt.ge

Senior Analyst
Otar Tsukhishvili | otsukhishvili@gt.ge

Address: 3 Pushkin Street, Tbilisi 0105, Georgia
Tel: + (995) 32 2401 111
Email: research@gt.ge