GALT & TAGGART
CREATING OPPORTUNITIES

Tbilisi Residential Real Estate

APRIL 2025 UPDATE

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

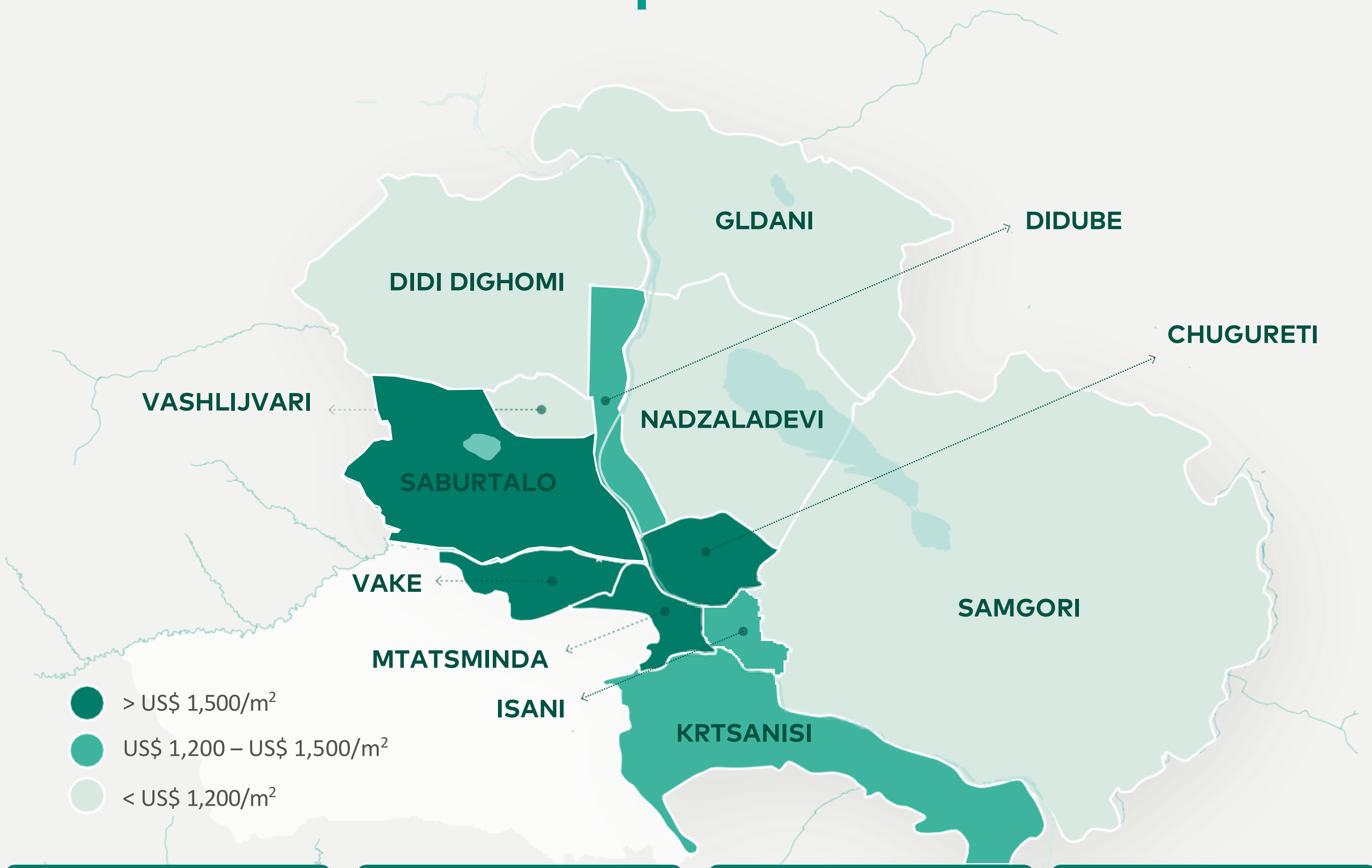
Key Figures

	Apr-23	Apr-24	Apr-25
Sales # of apartments	2,589	3,222	3,252
Primary	1,120	1,446	1,693
Secondary	1,469	1,776	1,559
Price US$ / m²	$1,120	$1,278	$1,332
Rent US$ / m²	$11.6	$9.9	$9.5
Permits '000 m²	187.3	195.0	246.0

GALT & TAGGART
CREATING OPPORTUNITIES

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

Real estate sale patterns in April 2025



District	Number of sales	Average price	Average rent
MTATSMINDA	57 apartments	2,900 us$ / m²	12.2 us$ / m²
VAKE	100 apartments	2,544 us$ / m²	14.5 us$ / m²
CHUGURETI	68 apartments	1,766 us$ / m²	9.3 us$ / m²
SABURTALO	596 apartments	1,558 us$ / m²	10.8 us$ / m²
KRTSANISI	205 apartments	1,499 us$ / m²	9.9 us$ / m²
ISANI	228 apartments	1,393 us$ / m²	9.4 us$ / m²
DIDUBE	233 apartments	1,359 us$ / m²	9.3 us$ / m²
NADZALADEVI	272 apartments	1,169 us$ / m²	8.8 us$ / m²
SAMGORI	450 apartments	1,070 us$ / m²	7.7 us$ / m²
DIDI DIGHOMI	738 apartments	1,051 us$ / m²	8.1 us$ / m²
GLDANI	278 apartments	1,035 us$ / m²	8.1 us$ / m²
VASHLIJVARI	27 apartments	1,034 us$ / m²	8.5 us$ / m²

April 2025 overview

Summary

Sales in Tbilisi residential real estate market remained sluggish, staying below 4M24 average, both on the primary and secondary markets. On the supply side, in 4M25, construction permit issuance increased, driven by permits granted for large residential projects. Prices continued to rise on the primary market with a slow pace, while average price on the secondary market rebounded after two months of decline.

Demand

In Apr-25, total number of sold apartments in Tbilisi, according to the Public Registry data, stood at 3,252 units, of which:

- Sales on the secondary market, which show real-time dynamics, remained flat m/m, while decreasing 12.2% y/y.
- Sales on the primary market, where data are impacted by delayed registrations, increased by 17.1% y/y, reflecting effect of the late registrations of previously sold apartments in several projects.

Our real-time survey of developers, which captures current trends on the primary market, mirrored dynamics observed on the secondary market. In Apr-25, sales in systematic developers' projects remained stable compared to previous month, however decreased 34.1% y/y, and larger drop compared to the secondary market reflects last year's high base effect in this segment.

In total, 12,540 apartments (-1.2% y/y) were sold in Tbilisi in 4M25, bringing the residential market value to US$ 941.0mn (-0.7% y/y).

Supply

In Apr-25, 23 residential construction permits were issued, with total living area reaching 245,986 m^2 (+26.1% y/y). Overall, permit issuance in 4M25 was up 4.2% y/y.

Prices

In Apr-25, the primary market average price per square meter rose by 0.2% m/m, reaching US$1,332. Likewise, the average price on the secondary market (for new buildings built with permits issued after 2013) increased by 1.9% m/m to US$1,256.

Rents

In Apr-25, price for renting an average apartment (50-60 m^2) in Tbilisi decreased slightly by 0.4% m/m to US$ 9.5 per m^2.

Real estate demand

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

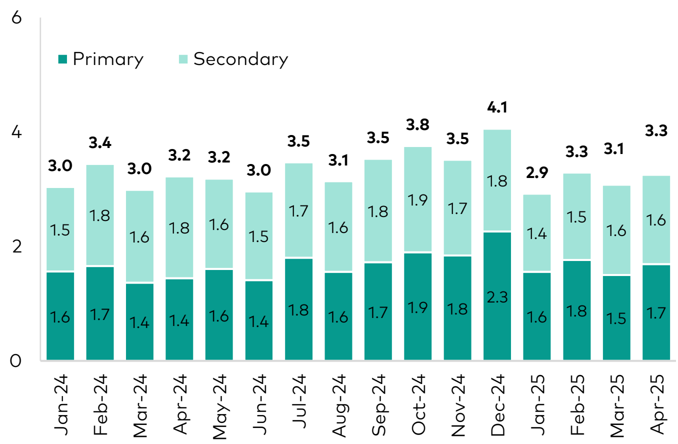
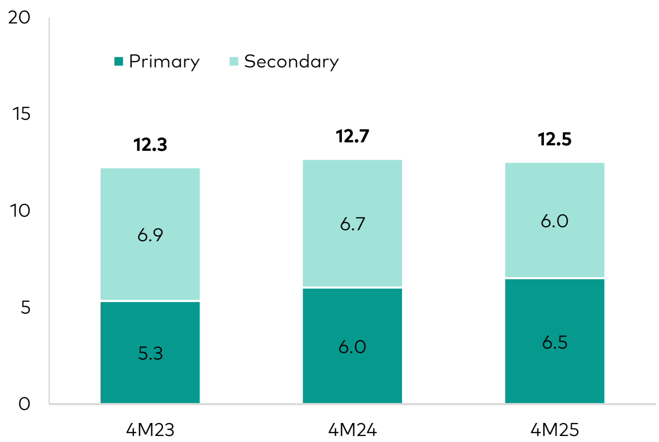


Figure 2: Number of sold apartments by year, '000



Source: NAPR, Galt & Taggart

Note: Primary market transactions are lagged indicator; real time data is reflected in our developer's survey (see next page for details)

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

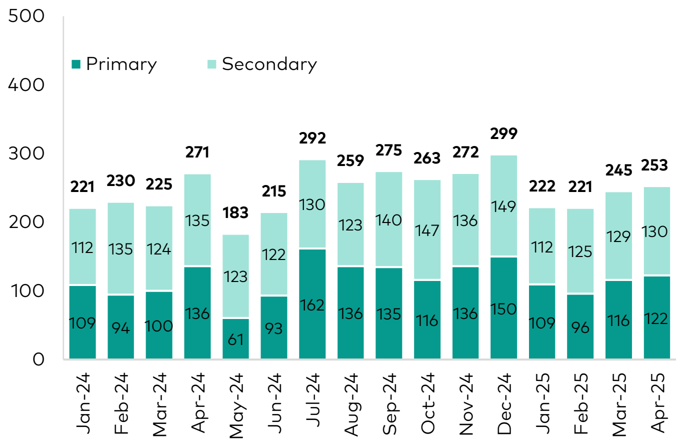
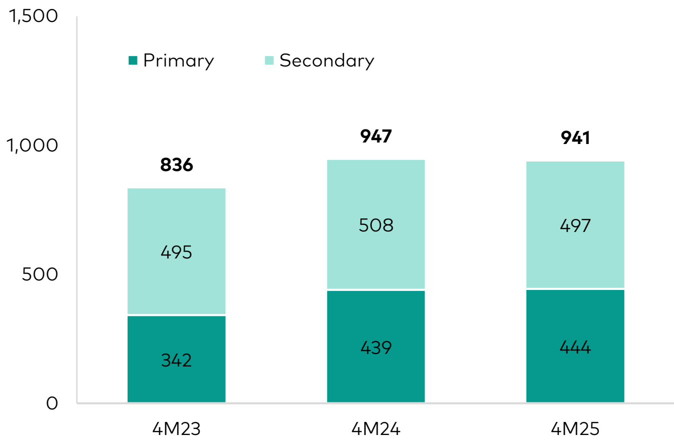


Figure 4: Real estate market size by year, US$ mn



Source: NAPR, Galt & Taggart

Note: Due to issue of lagged transactions on the primary market in NAPR data, primary market size is calculated taking into account real-time trends

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 (see the next page).

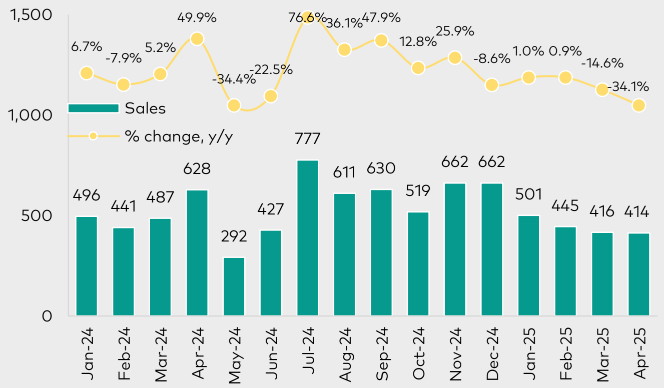
Survey of systematic developers by Galt & Taggart

In May 2025, we conducted a survey of 20 systematic developers with over 90 residential construction projects in Tbilisi (c. 40% of total primary market).

Based on survey results:

- In April 2025, apartment sales remained flat m/m, but considering last year's high base, were down 34.1% y/y by number of sold apartments and down 25.4% y/y by area of sold apartments. Cumulatively, in 4M25 number of sold apartments declined by 13.5% y/y. This downturn is primarily driven by deteriorated market sentiments, prompting some buyers to delay their purchase decisions.
- Notably, 80% of apartments are already sold in the projects finishing in 2025. Importantly, the majority of these sales are facilitated through inner instalment schemes offered by developers.
- The share of buyers from Israel has been on the rise, accounting for 11% of total sales in 4M25. This trend is largely fueled by the investment appeal of Tbilisi's residential real estate market.

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



Source: Galt & Taggart survey of selected developers

Figure 6: Number of sold apartments in projects of selected developers by years

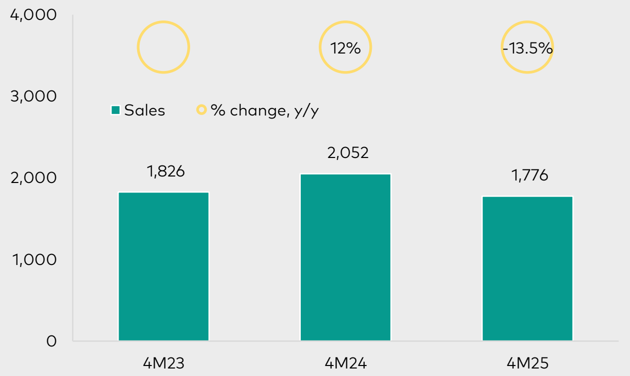
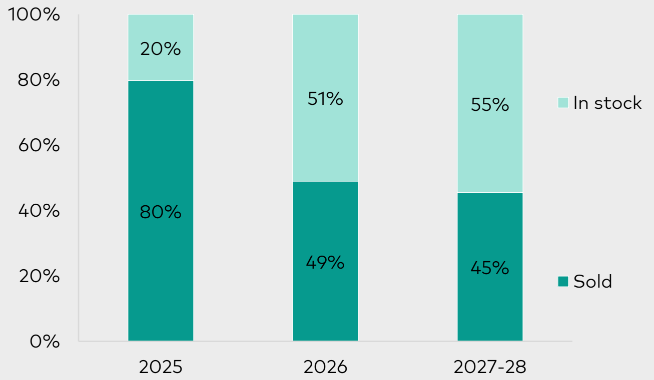
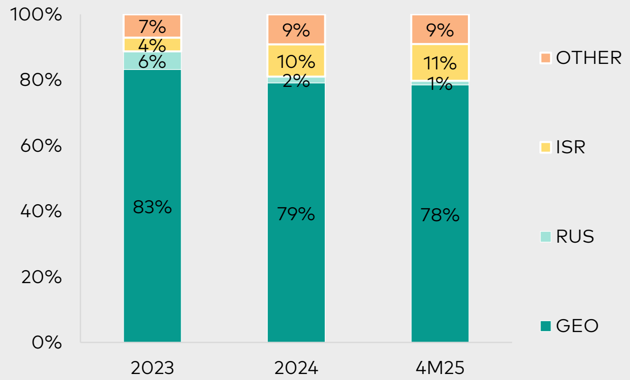


Figure 7: Distribution of the housing stock by project completion year and status



Source: Galt & Taggart survey of selected developers
Note: The calculations are based on number of sold apartments.

Figure 8: Real estate sales by citizenship



Real estate supply

Figure 9: Area of construction permits issued for residential real estate in Tbilisi, '000 m^2

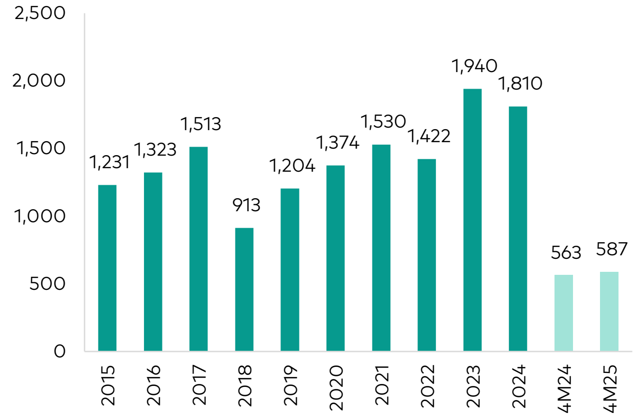
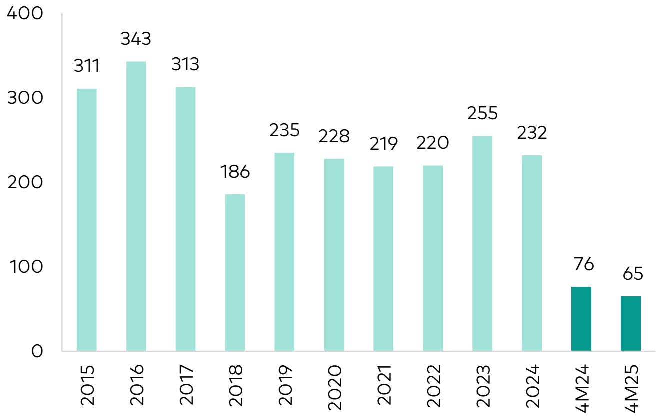
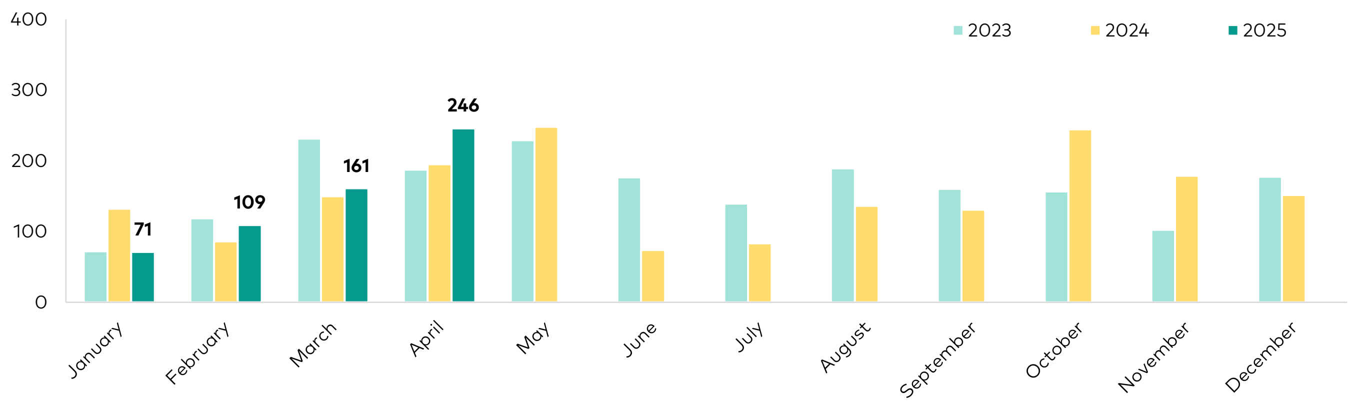


Figure 10: Number of construction permits issued for residential real estate in Tbilisi



Source: TAS, Galt & Taggart
Note: Area of construction permits includes: 1) residential and balcony areas;
2) Only III and IV class multiapartment/multifunctional buildings

Figure 11: Area of construction permits issued for residential real estate by months in Tbilisi, '000 m^2



Source: TAS, Galt & Taggart
Note: Area of construction permits includes: 1) residential and balcony areas;
2) Only III and IV class multiapartment/multifunctional buildings

Prices & rents

Figure 12: Real estate weighted average prices by type, US$/m²

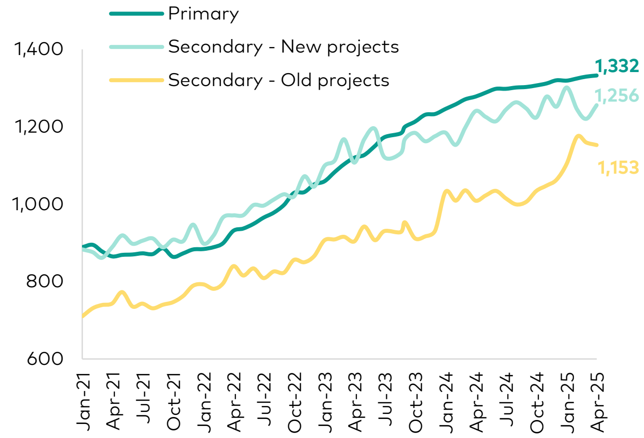
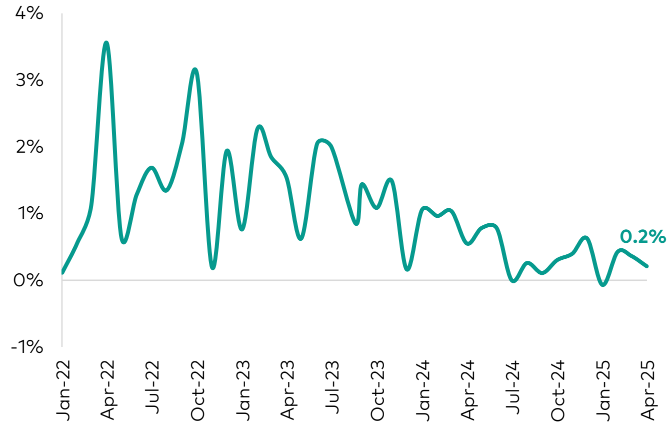


Figure 13: Monthly price change on the primary market, % change m/m



Source: NAPR, Galt & Taggart
Note: 1) Secondary new projects include buildings built with construction permits issued after 2013;
2) Secondary old projects include buildings built with construction permits issued before 2013

Figure 14: Real estate weighted average rent price in Tbilisi, US$/m²

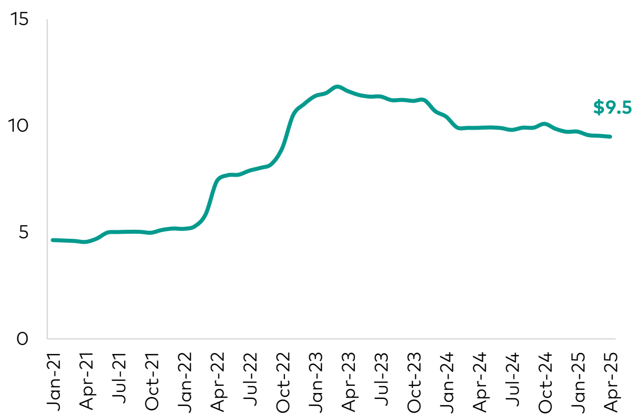
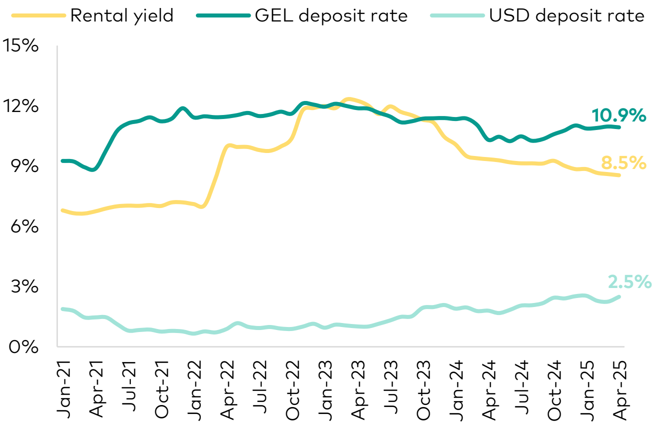


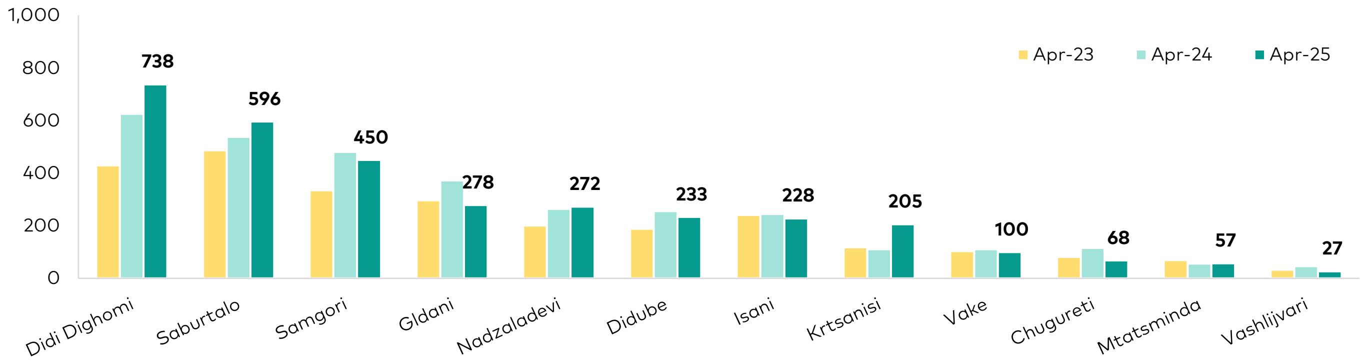
Figure 15: Real estate rental yield and deposit rates



Source: NBG, Galt & Taggart
Note: Rents displayed are for 50-60 m² new apartments in Tbilisi

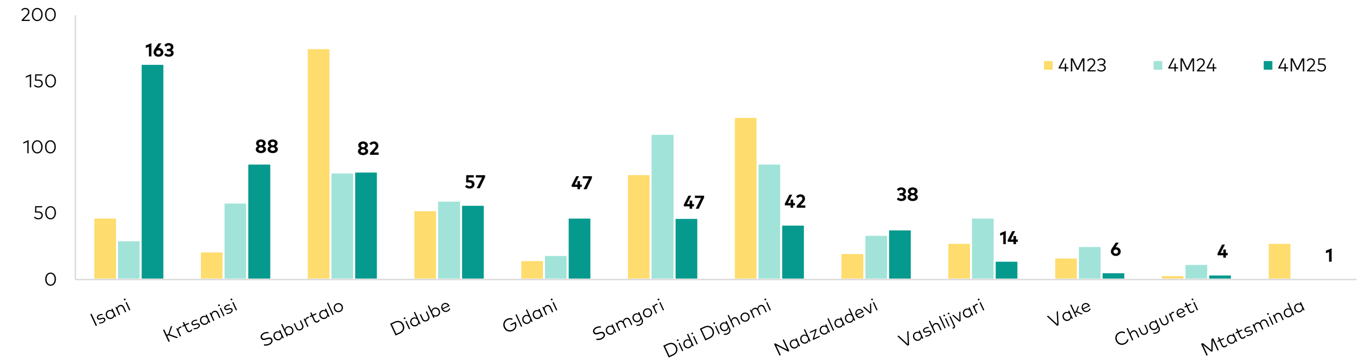
Districts in Tbilisi

Figure 16: Number of sold apartments by districts (primary and secondary markets combined)



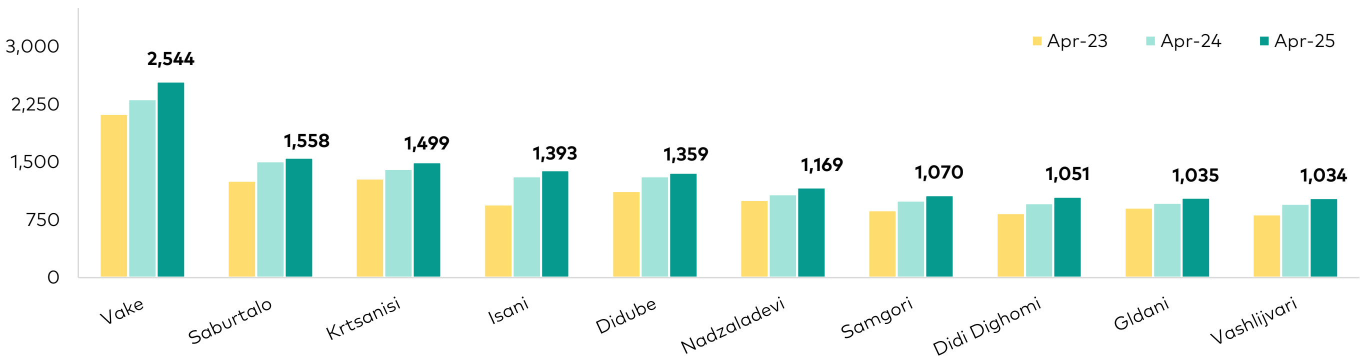
Source: NAPR, Galt & Taggart

Figure 17: Area of construction permits issued for residential real estate by districts, '000 m^2



Source: TAS, Galt & Taggart
Note: 1) Includes residential and balcony areas
2) Only III and IV class multiapartment/multifunctional buildings

Figure 18: Real estate prices on primary market for white frame apartments by districts, US$/m^2



Source: Galt & Taggart
Note: Mtatsminda and Chugureti are excluded from primary market prices due to small sizes of samples

Real estate characteristics

Figure 19: Real estate sales by size, (% of total apartments sold)

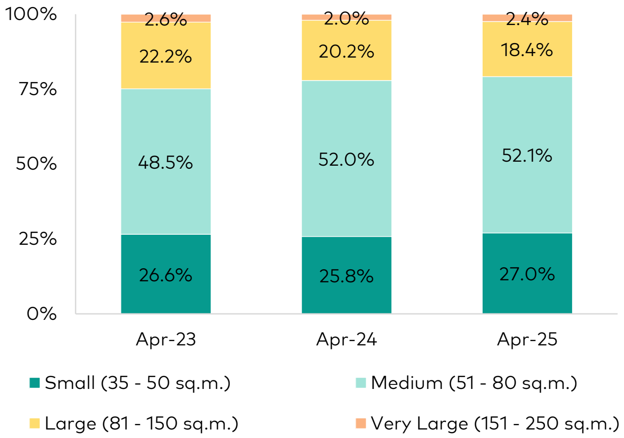
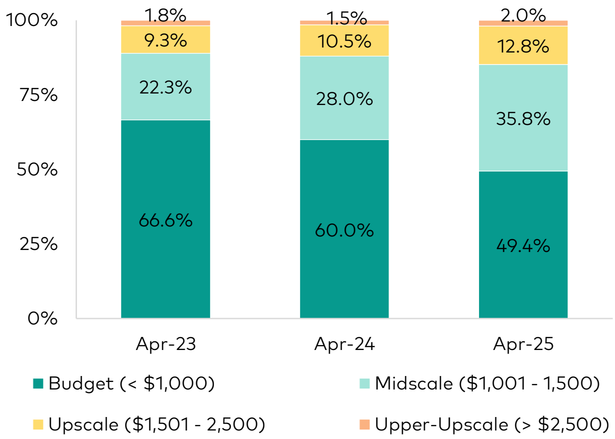
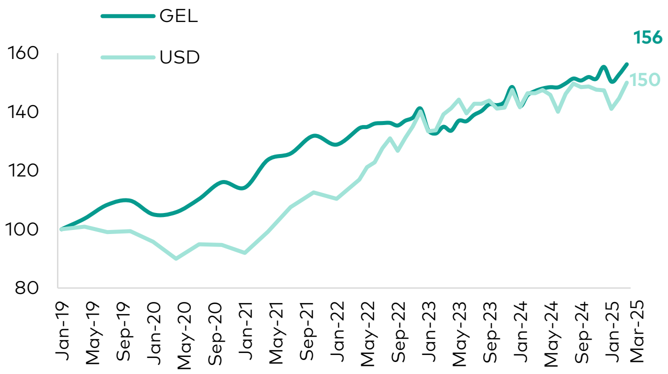


Figure 20: Real estate sales by segments, (% of total apartments sold)



Source: NAPR, Galt & Taggart

Figure 21: Construction cost index, 1Q19=100

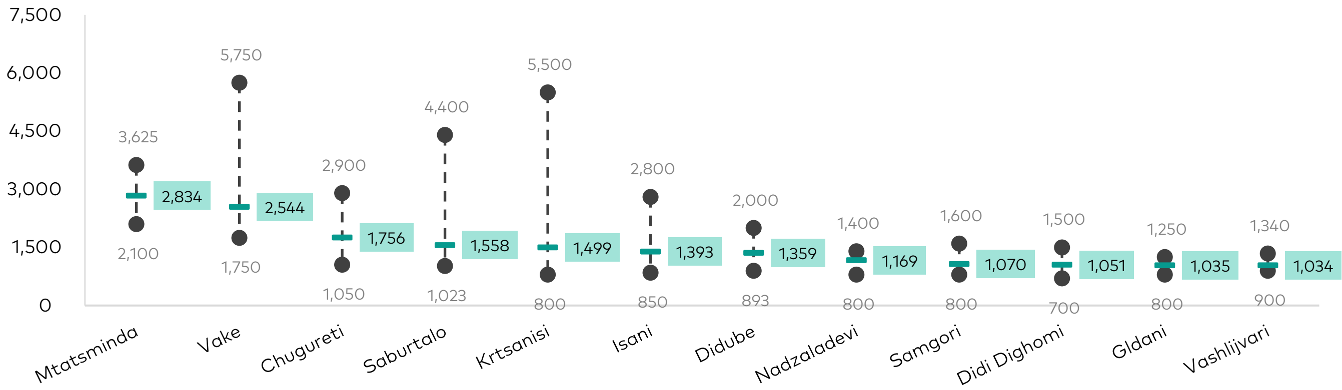


	y/y growth Mar-25, US$	m/m growth Mar-25, US$
Total construction cost	**2.5%**	**3.7%**
Construction materials	*-0.8%*	*1.4%*
Wages	*17.7%*	*13.3%*
Machinery	*4.8%*	*1.7%*
Transportation, fuel and electricity	*-4.9%*	*1.2%*
Other costs	*-0.1%*	*2.5%*

Source: Geostat, Galt & Taggart

Annex

Figure 22: Real estate price ranges on primary market by districts in Apr-25, US$/m²



Source: Galt & Taggart

Figure 23: Real estate weighted average rent prices by districts, US$/m²

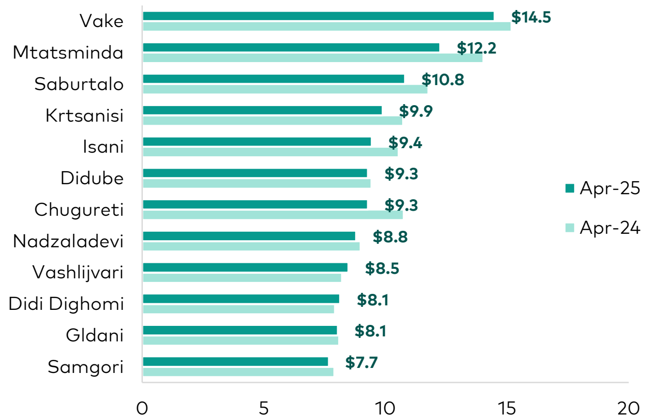
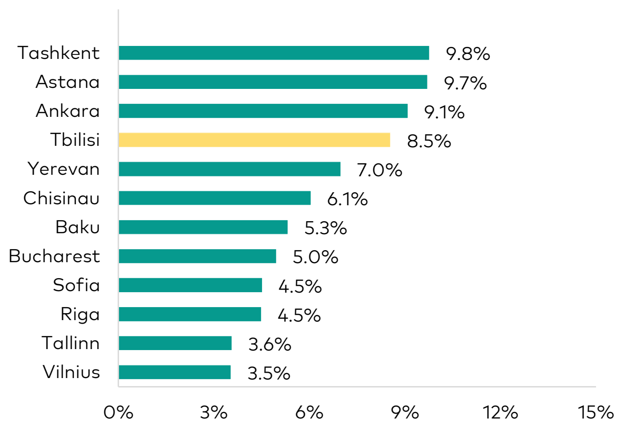


Figure 24: Rental yield by cities, Apr-25



Source: NBG, Numbeo, 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