# REAL ESTATE MARKET

TBILISI | BATUMI | KUTAISI

## #19 | Jan-Mar 2021

**Market Highlights**

REM lab. (Real Estate Market Laboratory)

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The Real Estate Index (REI) represents the real value of property. When observing real estate prices, the first thing to consider is the average price per square meter. However, the average price can rise if the sale of higher-quality properties (in central districts, well-renovated, etc.) also increases, which does not indicate that real estate prices are generally rising. Therefore, the Real Estate Index tracks pure price changes. The REI excludes the 'QUALITY EFFECT' and observes how the price of given properties change compared to the base period (January 2019 for Tbilisi, Q1 2019 for Batumi & Kutaisi). The REI includes the Sale Price Index (SPI) and the Rent Price Index (RPI). It is worth noting that only the SPI on residential real property is available for BAT and KUT, and that all indices are calculated using USD prices.

## ABBREVIATIONS USED

| | |
|---|---|
| **ASP** | Average Sale Price per sq.m. |
| **ARP** | Average Rent Price per sq.m. |
| **SPI** | Sale Price Index |
| **RPI** | Rent Price Index |
| **MoM** | Month-over-Month Change |
| **YoY** | Year-over-Year Change |
| **X-RATE** | Exchange Rate |
| **TBS** | Tbilisi City |
| **BAT** | Batumi City |
| **KUT** | Kutaisi City |
| **MUN** | Municipality |
| **GEO** | Georgia |
| **RP** | Residential Property |
| **CP** | Commercial Property |
| **NAPR** | National Agency of Public Registry |
| **TCH\|MDS** | Tbilisi City Hall, Municipal Department for Supervision |

# Contents

# Table of Figures

# TBILISI RESIDENTIAL PROPERTY PRICE HIGHLIGHTS

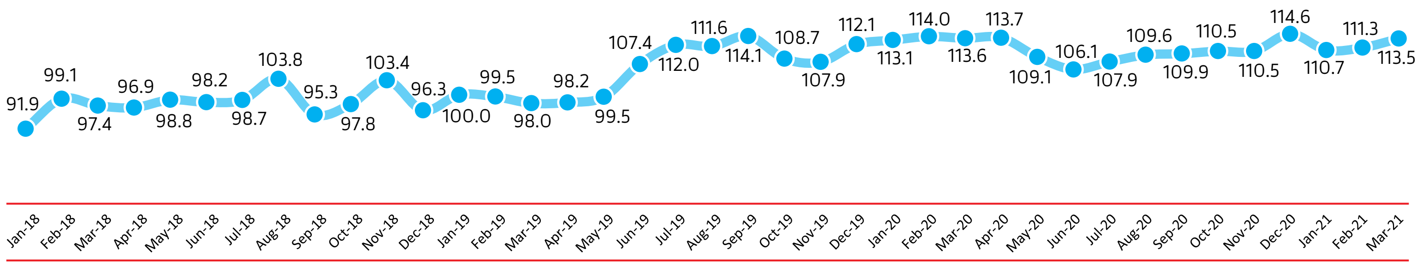
After a decline in January 2021 compared to December 2020, the Tbilisi Residential Sales Price Index (SPI) showed an upward trend in Q1 2021, increasing from 110.7 index points in January 2021 to 113.5 index points in March 2021 (the index is equal to 100 in the base period, January 2019). Nevertheless, compared to the first quarter of 2020, SPI showed a decline in Q1 2021, with the largest drop of 2.4% (YoY) occurring in February 2021.

Unlike the SPI, the Rent Price Index (RPI) was characterized by a consistent downward trend throughout Q1 2021, declining from 78.2 index points in January 2021 to 77.2 index points in March 2021. Similar to SPI, compared to the previous year RPI presented a decrease in every month of the first quarter, with the greatest decline in February 2021: 17.7% (YoY).

During Q1 2021, the Average Sales Price (ASP) in Tbilisi increased from 942 USD per m2 in January 2021 to 949 USD in March 2021 (monthly average). As for the Average Rental Price (ARP), it decreased moderately from 5.9 USD per m2 in January to 5.8 USD in March (monthly average).

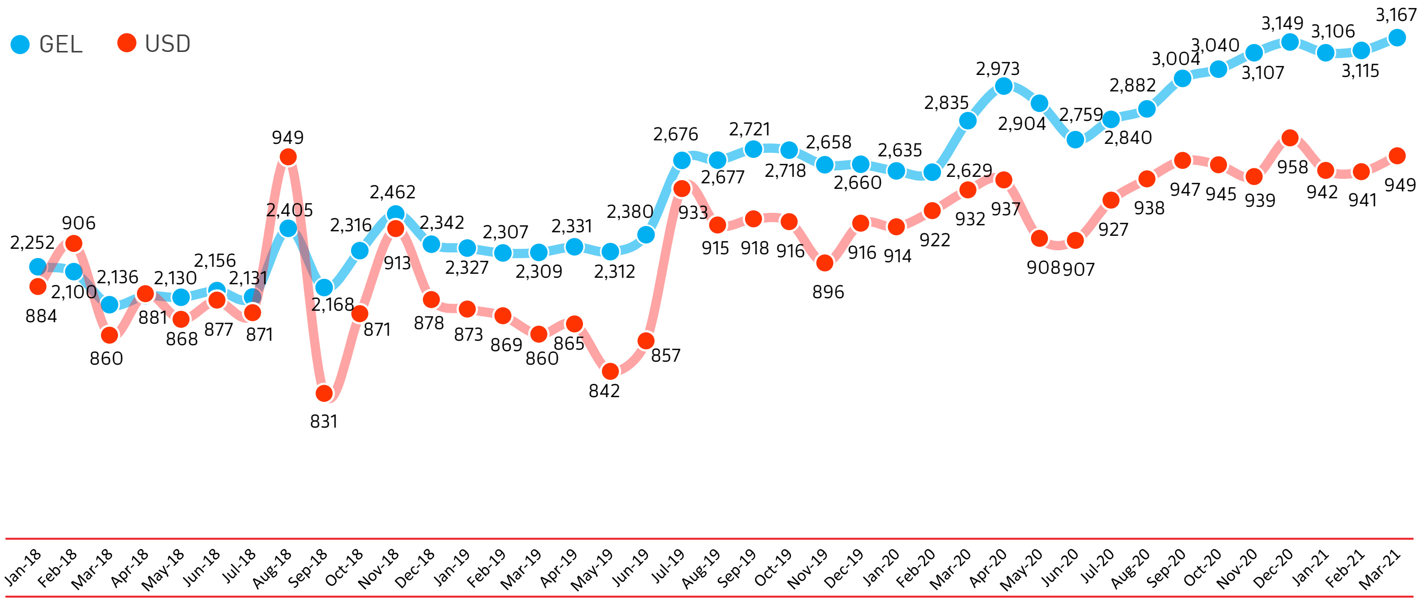
In Q1 2021 on average the most expensive districts by ASP were Mtatsminda-Sololaki (1,402 USD), Vera (1,215 USD), and Vake-Bagebi (1,159 USD), while the cheapest district was Lilo at 419 USD per m2. By ARP, the most expensive districts in Q1 2021 on average were Tsavkisi-Shindisi-Tabakhmela (8.8 USD), Mtatsminda-Sololaki (7.7 USD), and Kiketi-Kojori (7.0 USD).

### Chart 1: SPI for Residential Properties, Tbilisi (monthly for 2018-2021)




Source: REM lab 2021

### Chart 2: ASP for Residential Properties, Tbilisi (monthly for 2018-2021)



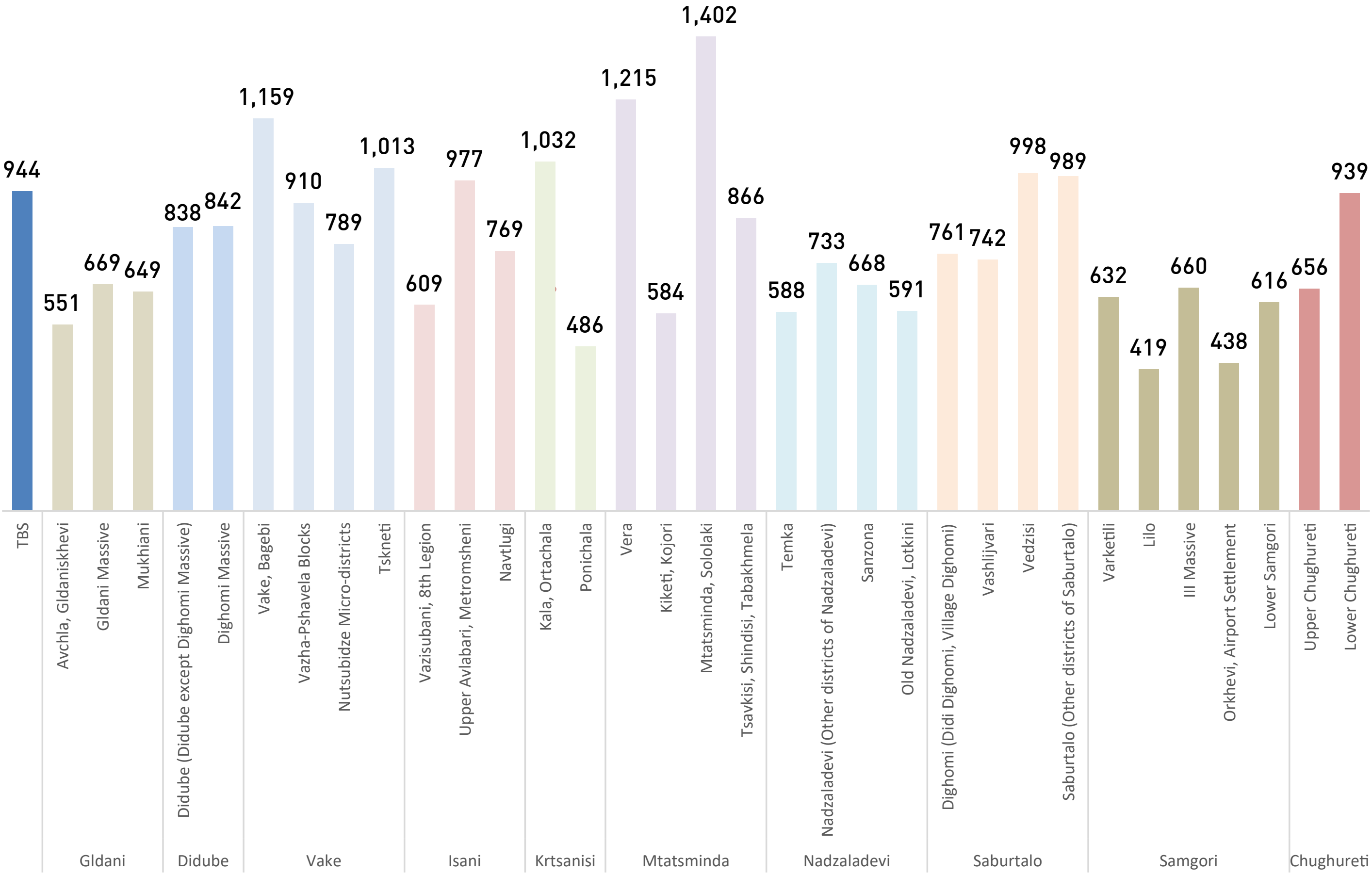

Source: REM lab 2021

**Table 1: ASP for Residential Properties, Tbilisi (monthly for 2019-2021)**

| M-Y | ASP (USD) | MoM(%) | YoY (%) | ASP (GEL) | MoM(%) | YoY (%) |
|---|---|---|---|---|---|---|
| Jan-19 | 873 | -0.5% | -1.3% | 2327 | -0.7% | 3.3% |
| Feb-19 | 869 | -0.4% | -4.0% | 2307 | -0.9% | 3.4% |
| Mar-19 | 860 | -1.1% | 0.0% | 2309 | 0.1% | 9.9% |
| Apr-19 | 865 | 0.6% | -1.7% | 2331 | 1.0% | 9.2% |
| May-19 | 842 | -2.7% | -3.0% | 2312 | -0.8% | 8.5% |
| Jun-19 | 857 | 1.8% | -2.3% | 2380 | 2.9% | 10.4% |
| Jul-19 | 933 | 8.9% | 7.1% | 2676 | 12.5% | 25.6% |
| Aug-19 | 915 | -1.9% | -3.6% | 2677 | 0.0% | 11.3% |
| Sep-19 | 918 | 0.3% | 10.5% | 2721 | 1.6% | 25.5% |
| Oct-19 | 916 | -0.2% | 5.3% | 2718 | -0.1% | 17.3% |
| Nov-19 | 896 | -2.2% | -1.9% | 2658 | -2.2% | 8.0% |
| Dec-19 | 916 | 2.2% | 4.3% | 2660 | 0.1% | 13.6% |
| Jan-20 | 914 | -0.2% | 4.7% | 2635 | -1.0% | 13.2% |
| Feb-20 | 922 | 0.9% | 6.0% | 2629 | -0.2% | 14.0% |
| Mar-20 | 932 | 1.1% | 8.4% | 2835 | 7.8% | 22.8% |
| Apr-20 | 937 | 0.5% | 8.3% | 2973 | 4.9% | 27.5% |
| May-20 | 908 | -3.1% | 7.9% | 2904 | -2.3% | 25.6% |
| Jun-20 | 907 | -0.1% | 5.9% | 2759 | -5.0% | 16.0% |
| Jul-20 | 927 | 2.2% | -0.6% | 2840 | 2.9% | 6.1% |
| Aug-20 | 938 | 1.1% | 2.5% | 2882 | 1.5% | 7.7% |
| Sep-20 | 947 | 1.0% | 3.2% | 3004 | 4.2% | 10.4% |
| Oct-20 | 945 | -0.2% | 3.1% | 3040 | 1.2% | 11.9% |
| Nov-20 | 939 | -0.6% | 4.8% | 3107 | 2.2% | 16.9% |
| Dec-20 | 958 | 2.1% | 4.7% | 3149 | 1.4% | 18.4% |
| Jan-21 | 942 | -1.7% | 3.1% | 3106 | -1.4% | 17.9% |
| Feb-21 | 941 | -0.1% | 2.1% | 3115 | 0.3% | 18.5% |
| Mar-21 | 949 | 0.8% | 1.8% | 3167 | 1.7% | 11.7% |

Source: REM lab 2021

### Chart 3: ASP for Residential Properties, Tbilisi & Districts (Average Q1 2021, USD)



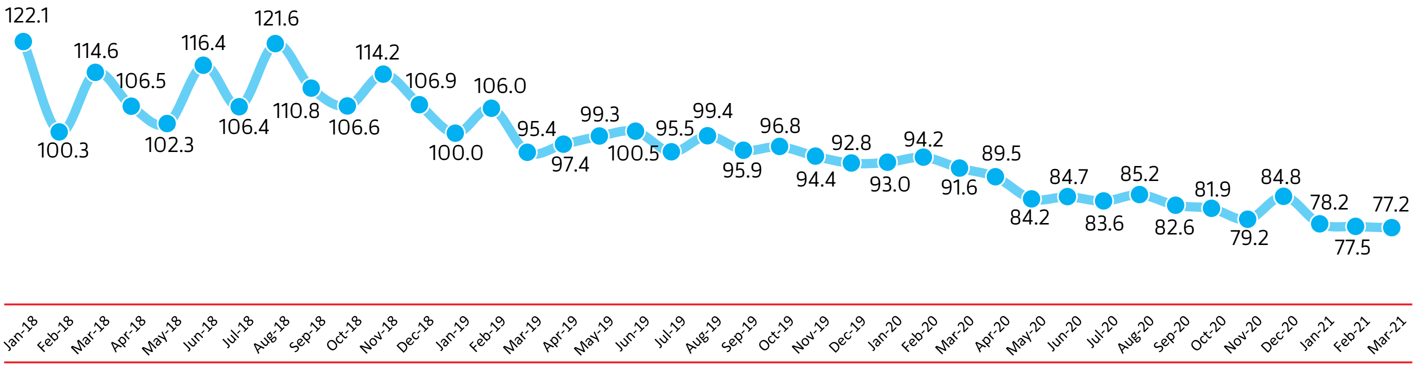

Source: REM lab 2021

### Table 2: ASP for Residential Properties, Tbilisi & Districts (Average Q1 2021)

| | | ASP (USD) | YoY (%) | ASP (GEL) | YoY (%) |
|---|---|---|---|---|---|
| | TBS | 944 | 2% | 3,129 | 16% |
| Gldani | Avchala, Gldaniskhevi | 551 | 9% | 1,826 | 23% |
| | Gldani Massive | 669 | 6% | 2,218 | 20% |
| | Mukhiani | 649 | 2% | 2,150 | 16% |
| Didube | Didube (Didube except Dighomi Massive) | 838 | 4% | 2,778 | 18% |
| | Dighomi Massive | 842 | 5% | 2,790 | 19% |
| Vake | Vake, Bagebi | 1,159 | 4% | 3,842 | 17% |
| | Vazha-Pshavela Blocks | 910 | -6% | 3,017 | 7% |
| | Nutsubidze Micro-districts | 789 | 11% | 2,613 | 26% |
| | Tskneti | 1,013 | 35% | 3,358 | 54% |
| Isani | Vazisubani, 8th Legion | 609 | -7% | 2,018 | 6% |
| | Upper Avlabari, Metromsheni | 977 | 6% | 3,237 | 20% |
| | Navtlugi | 769 | 7% | 2,547 | 21% |
| Krtsa-nisi | Kala, Ortachala | 1,032 | 15% | 3,420 | 30% |
| | Ponichala | 486 | -4% | 1,611 | 8% |
| Mtatsminda | Vera | 1,215 | 4% | 4,028 | 18% |
| | Kiketi, Kojori | 584 | -12% | 1,936 | 0% |
| | Mtatsminda, Sololaki | 1,402 | 3% | 4,647 | 17% |
| | Tsavkisi, Shindisi, Tabakhmela | 866 | 17% | 2,870 | 33% |
| Nadzaladevi | Temka | 588 | -1% | 1,950 | 12% |
| | Nadzaladevi (Other districts of Nadzaladevi) | 733 | 2% | 2,430 | 15% |
| | Sanzona | 668 | -1% | 2,213 | 12% |
| | Old Nadzaladevi, Lotkini | 591 | 36% | 1,958 | 57% |
| Saburtalo | Dighomi (Didi Dighomi, Village Dighomi) | 761 | 5% | 2,521 | 19% |
| | Vashlijvari | 742 | 8% | 2,461 | 23% |
| | Vedzisi | 998 | -3% | 3,309 | 10% |
| | Saburtalo (Other districts of Saburtalo) | 989 | -1% | 3,276 | 12% |
| Samgori | Varketili | 632 | 0% | 2,096 | 14% |
| | Lilo | 419 | 28% | 1,387 | 45% |
| | III Massive | 660 | 24% | 2,188 | 41% |
| | Orkhevi, Airport Settlement | 438 | -6% | 1,451 | 7% |
| | Lower Samgori | 616 | -4% | 2,042 | 9% |
| Chugh-ureti | Upper Chughureti | 656 | -2% | 2,174 | 11% |
| | Lower Chughureti | 939 | 3% | 3,110 | 16% |

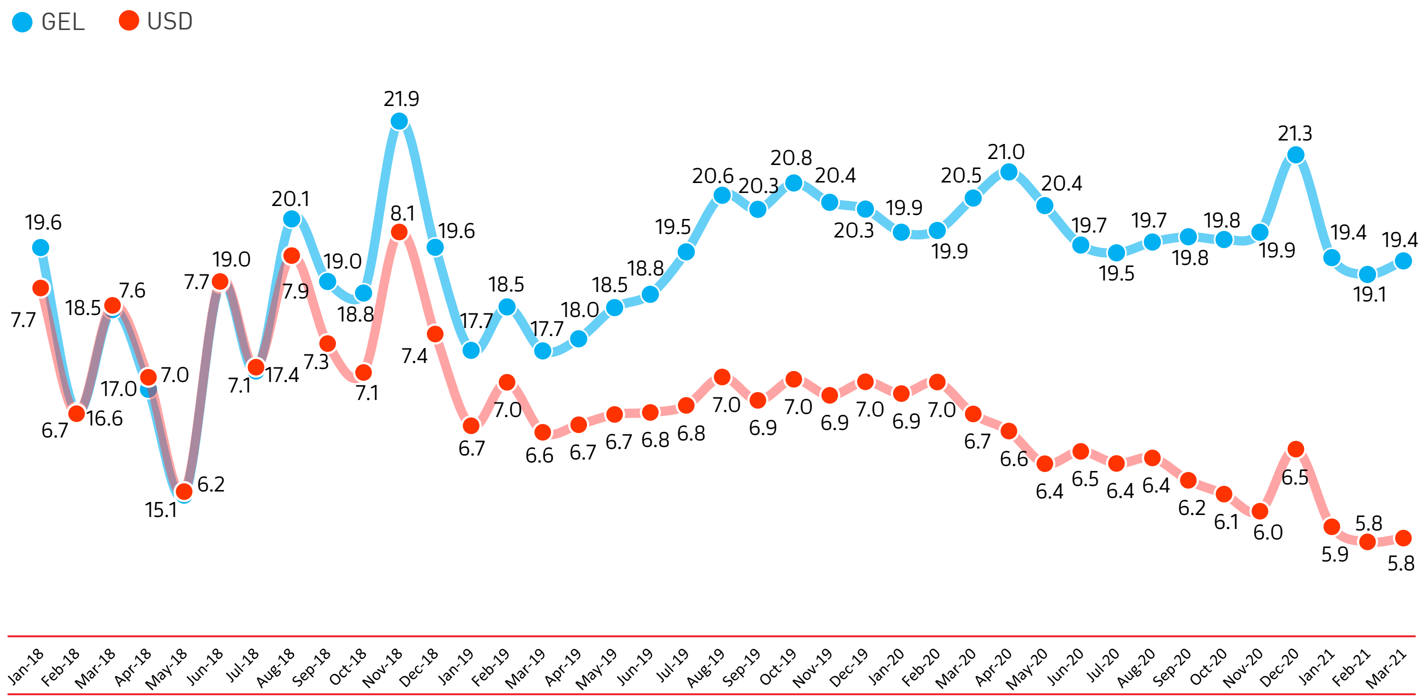
Source: REM lab 2021

**Chart 4: RPI for Residential Properties, Tbilisi (monthly for 2018-2021)**




Source: REM lab 2021

**Chart 5: ARP for Residential Properties, Tbilisi (monthly for 2018-2021)**



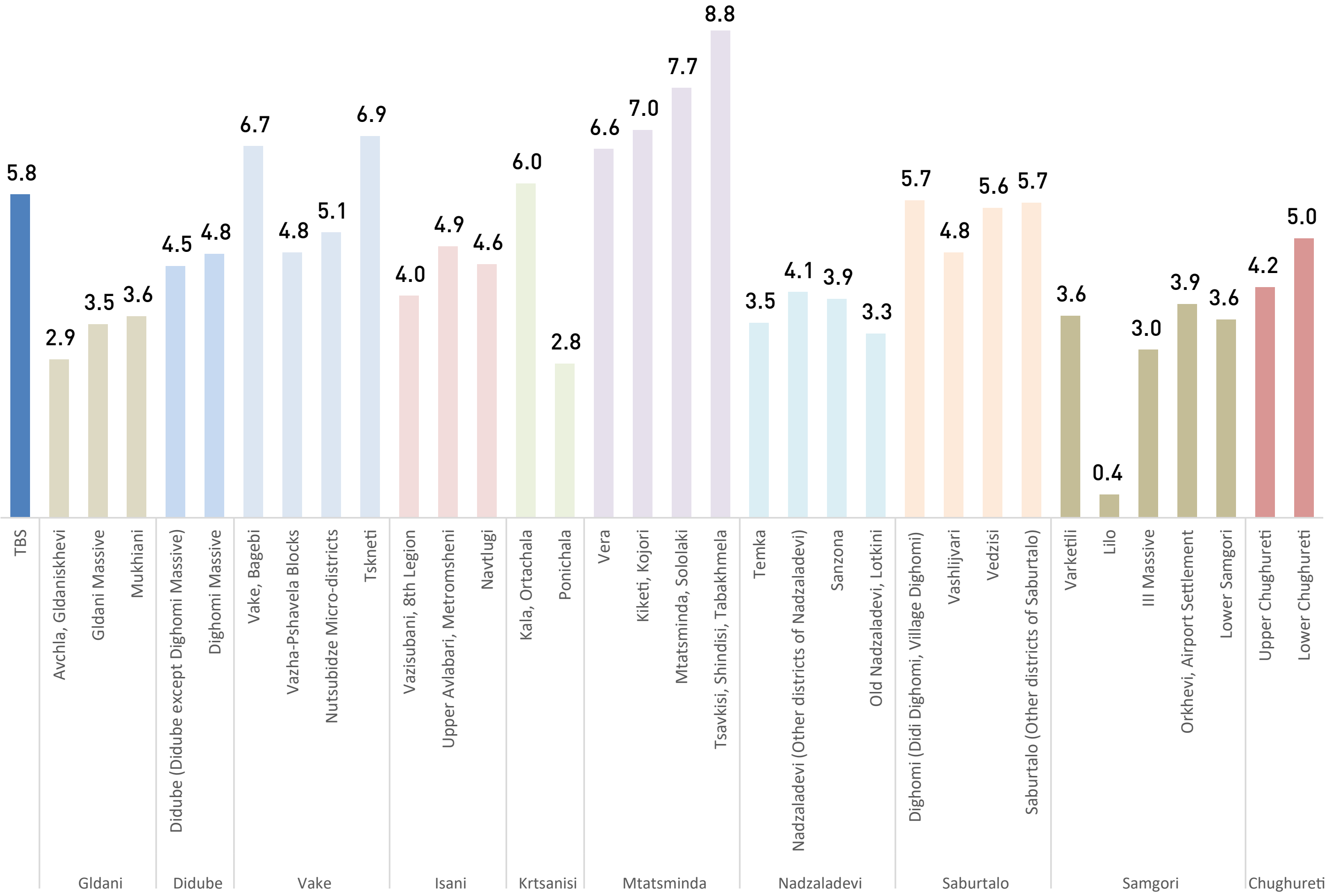

Source: REM lab 2021

### Table 3: ARP for Residential Properties, Tbilisi (monthly for 2019-2021)

| M-Y | ARP (USD) | MoM(%) | YoY (%) | ARP (GEL) | MoM(%) | YoY (%) |
|---|---|---|---|---|---|---|
| Jan-19 | 6.7 | -9.4% | -13.5% | 17.7 | -9.5% | -9.5% |
| Feb-19 | 7.0 | 4.9% | 3.5% | 18.5 | 4.5% | 11.5% |
| Mar-19 | 6.6 | -5.4% | -12.7% | 17.7 | -4.3% | -4.1% |
| Apr-19 | 6.7 | 0.9% | -5.1% | 18.0 | 1.3% | 5.4% |
| May-19 | 6.7 | 1.2% | 9.5% | 18.5 | 3.1% | 22.5% |
| Jun-19 | 6.8 | 0.2% | -12.8% | 18.8 | 1.3% | -1.0% |
| Jul-19 | 6.8 | 0.8% | -4.1% | 19.5 | 4.1% | 12.5% |
| Aug-19 | 7.0 | 3.2% | -11.6% | 20.6 | 5.2% | 2.1% |
| Sep-19 | 6.9 | -2.5% | -5.9% | 20.3 | -1.2% | 6.9% |
| Oct-19 | 7.0 | 2.3% | -0.7% | 20.8 | 2.3% | 10.6% |
| Nov-19 | 6.9 | -1.7% | -15.2% | 20.4 | -1.7% | -6.7% |
| Dec-19 | 7.0 | 1.5% | -4.9% | 20.3 | -0.6% | 3.6% |
| Jan-20 | 6.9 | -1.3% | 3.6% | 19.9 | -2.1% | 12.1% |
| Feb-20 | 7.0 | 1.3% | 0.0% | 19.9 | 0.2% | 7.5% |
| Mar-20 | 6.7 | -3.5% | 2.1% | 20.5 | 3.0% | 15.7% |
| Apr-20 | 6.6 | -1.9% | -0.7% | 21.0 | 2.3% | 16.9% |
| May-20 | 6.4 | -3.7% | -5.5% | 20.4 | -2.9% | 10.0% |
| Jun-20 | 6.5 | 1.4% | -4.4% | 19.7 | -3.5% | 4.8% |
| Jul-20 | 6.4 | -1.4% | -6.4% | 19.5 | -0.7% | -0.1% |
| Aug-20 | 6.4 | 0.7% | -8.7% | 19.7 | 1.0% | -4.1% |
| Sep-20 | 6.2 | -2.6% | -8.8% | 19.8 | 0.5% | -2.4% |
| Oct-20 | 6.1 | -1.7% | -12.4% | 19.8 | -0.3% | -4.9% |
| Nov-20 | 6.0 | -2.1% | -12.7% | 19.9 | 0.7% | -2.7% |
| Dec-20 | 6.5 | 7.8% | -7.3% | 21.3 | 7.1% | 4.8% |
| Jan-21 | 5.9 | -9.1% | -14.6% | 19.4 | -8.8% | -2.3% |
| Feb-21 | 5.8 | -1.9% | -17.3% | 19.1 | -1.6% | -4.0% |
| Mar-21 | 5.8 | 0.5% | -13.9% | 19.4 | 1.3% | -5.6% |

Source: REM lab 2021

## Chart 6: ARP for Residential Properties, Tbilisi & Districts (Average Q1 2021, USD)




Source: REM lab 2021

**Table 4: ARP for Residential Properties, Tbilisi & Districts (Average Q1 2021)**

| | | ARP (USD) | YoY (%) | ASP (GEL) | YoY (%) |
|---|---|---|---|---|---|
| | TBS | 5.8 | -15% | 19.3 | -4% |
| Gldani | Avchala, Gldaniskhevi | 2.9 | | 9.5 | |
| | Gldani Massive | 3.5 | -25% | 11.6 | -15% |
| | Mukhiani | 3.6 | -30% | 12.0 | -20% |
| Didube | Didube (Didube except Dighomi Massive) | 4.5 | -18% | 15.0 | -7% |
| | Dighomi Massive | 4.8 | -11% | 15.8 | 1% |
| Vake | Vake, Bagebi | 6.7 | -11% | 22.2 | 1% |
| | Vazha-Pshavela Blocks | 4.8 | -21% | 15.8 | -11% |
| | Nutsubidze Micro-districts | 5.1 | -14% | 17.0 | -2% |
| | Tskneti | 6.9 | -15% | 22.8 | -4% |
| Isani | Vazisubani, 8th Legion | 4.0 | -7% | 13.3 | 5% |
| | Upper Avlabari, Metromsheni | 4.9 | -31% | 16.2 | -22% |
| | Navtlugi | 4.6 | -23% | 15.1 | -12% |
| Krtsa-nisi | Kala, Ortachala | 6.0 | -17% | 20.0 | -6% |
| | Ponichala | 2.8 | -31% | 9.2 | -22% |
| Mtatsminda | Vera | 6.6 | -17% | 22.0 | -6% |
| | Kiketi, Kojori | 7.0 | 29% | 23.2 | 46% |
| | Mtatsminda, Sololaki | 7.7 | -19% | 25.7 | -8% |
| | Tsavkisi, Shindisi, Tabakhmela | 8.8 | 8% | 29.1 | 23% |
| Nadzaladevi | Temka | 3.5 | -23% | 11.7 | -13% |
| | Nadzaladevi (Other districts of Nadzaladevi) | 4.1 | -26% | 13.5 | -16% |
| | Sanzona | 3.9 | -21% | 13.1 | -10% |
| | Old Nadzaladevi, Lotkini | 3.3 | | 11.0 | |
| Saburtalo | Dighomi (Didi Dighomi, Village Dighomi) | 5.7 | -10% | 19.0 | 2% |
| | Vashlijvari | 4.8 | -8% | 15.9 | 4% |
| | Vedzisi | 5.6 | -33% | 18.5 | -24% |
| | Saburtalo (Other districts of Saburtalo) | 5.7 | -16% | 18.8 | -4% |
| Samgori | Varketili | 3.6 | -21% | 12.1 | -10% |
| | Lilo | 0.4 | | 0.5 | |
| | III Massive | 3.0 | -15% | 10.0 | -4% |
| | Orkhevi, Airport Settlement | 3.9 | | 12.8 | |
| | Lower Samgori | 3.6 | -25% | 11.8 | -16% |
| Chugh-ureti | Upper Chughureti | 4.2 | -7% | 13.8 | 56% |
| | Lower Chughureti | 5.0 | -21% | 16.7 | -11% |

Source: REM lab 2021

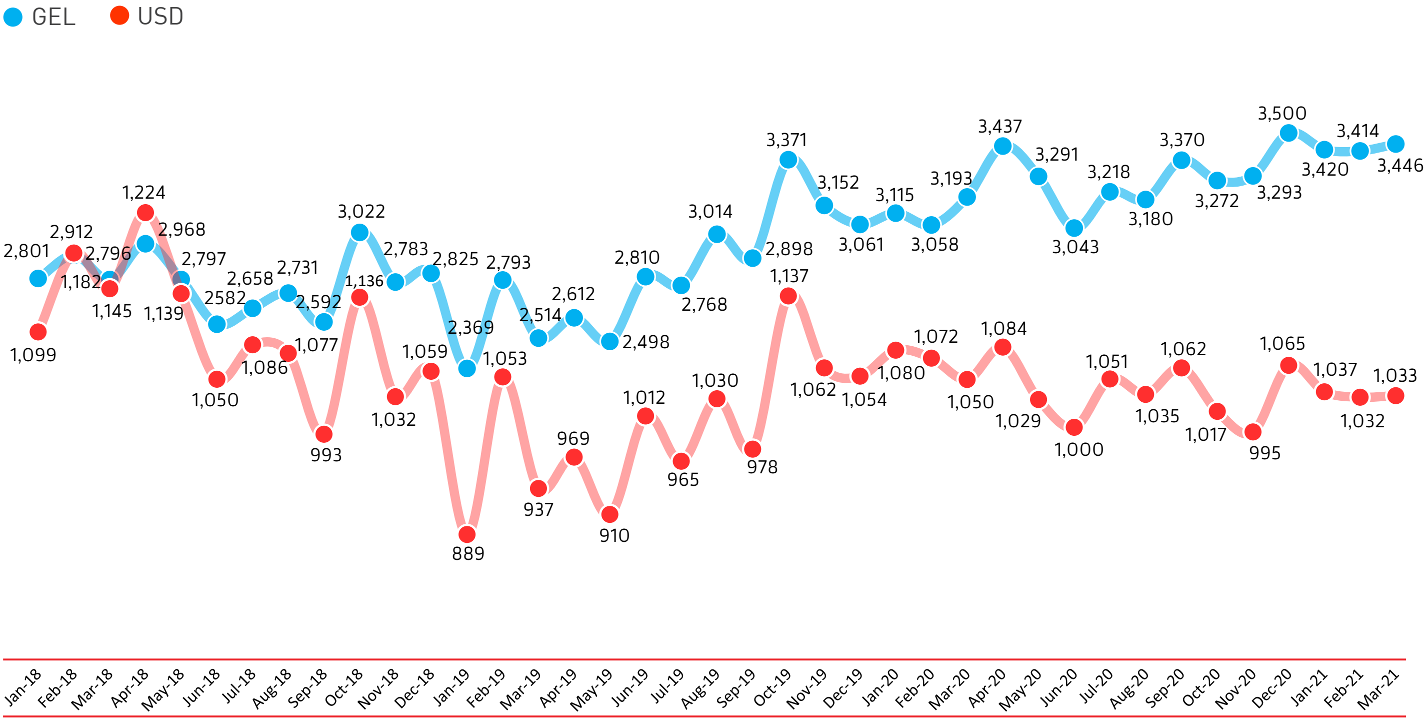
# TBILISI COMMERCIAL PROPERTY PRICE HIGHLIGHTS

The Rent Price Index (RPI) for commercial properties continued to decrease and presented a 2.8% decline in Q1 2021 on average, compared to the previous quarter.

During Q1 2021, ASP for commercial properties decreased from 1,037 USD per m2 in January 2021, to 1,033 USD in March 2021 (monthly average). As for the ARP, it increased moderately from 7.6 USD per m2 in January to 7.7 USD in March 2021 (monthly average).

On average in Q1 2021, ASP decreased by 3.1% (YoY) and ARP decreased by 3.8% (YoY).

## Chart 7: ASP for Commercial Properties, Tbilisi (monthly for 2018-2021)



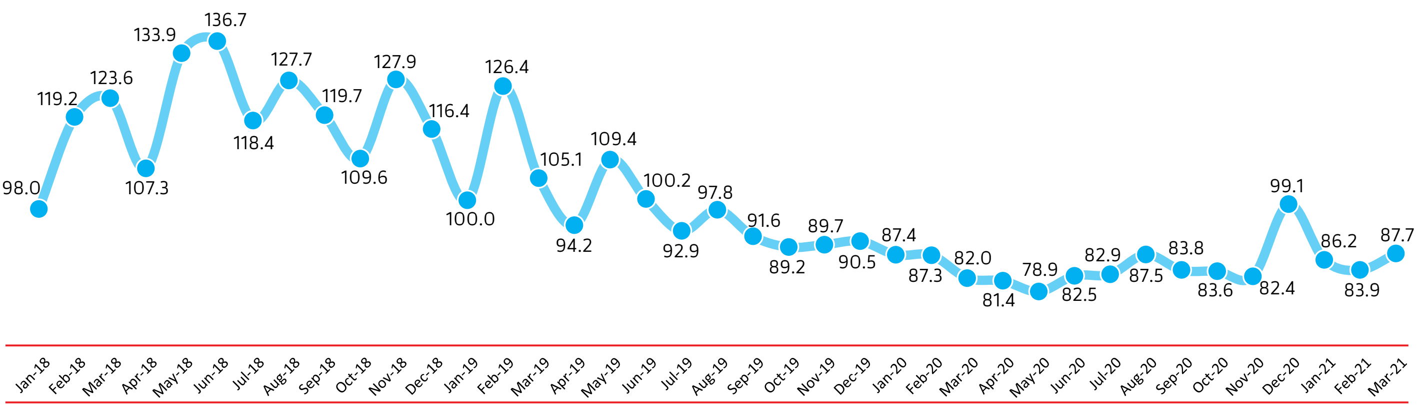

Source: REM lab 2021

**Table 5: ASP for Commercial Properties, Tbilisi (monthly for 2019-2021)**

| M-Y | ASP (USD) | MoM(%) | YoY (%) | ASP (GEL) | MoM(%) | YoY (%) |
|---|---|---|---|---|---|---|
| Jan-19 | 889 | -16.1% | -19.2% | 2369 | -16.2% | -15.4% |
| Feb-19 | 1053 | 18.5% | -10.9% | 2793 | 17.9% | -4.1% |
| Mar-19 | 937 | -11.0% | -18.2% | 2514 | -10.0% | -10.1% |
| Apr-19 | 969 | 3.5% | -20.8% | 2612 | 3.9% | -12.0% |
| May-19 | 910 | -6.2% | -20.2% | 2498 | -4.3% | -10.7% |
| Jun-19 | 1012 | 11.3% | -3.7% | 2810 | 12.5% | 8.9% |
| Jul-19 | 965 | -4.7% | -11.2% | 2768 | -1.5% | 4.1% |
| Aug-19 | 1030 | 6.8% | -4.4% | 3014 | 8.9% | 10.4% |
| Sep-19 | 978 | -5.1% | -1.6% | 2898 | -3.8% | 11.8% |
| Oct-19 | 1137 | 16.3% | 0.1% | 3371 | 16.3% | 11.6% |
| Nov-19 | 1062 | -6.6% | 2.9% | 3152 | -6.5% | 13.2% |
| Dec-19 | 1054 | -0.8% | -0.5% | 3061 | -2.9% | 8.3% |
| Jan-20 | 1080 | 2.6% | 21.6% | 3115 | 1.8% | 31.5% |
| Feb-20 | 1072 | -0.7% | 1.9% | 3058 | -1.8% | 9.5% |
| Mar-20 | 1050 | -2.1% | 12.1% | 3193 | 4.4% | 27.0% |
| Apr-20 | 1084 | 3.2% | 11.8% | 3437 | 7.6% | 31.6% |
| May-20 | 1029 | -5.0% | 13.1% | 3291 | -4.2% | 31.7% |
| Jun-20 | 1000 | -2.8% | -1.2% | 3043 | -7.5% | 8.3% |
| Jul-20 | 1051 | 5.0% | 8.9% | 3218 | 5.7% | 16.3% |
| Aug-20 | 1035 | -1.5% | 0.5% | 3180 | -1.2% | 5.5% |
| Sep-20 | 1062 | 2.7% | 8.7% | 3370 | 6.0% | 16.3% |
| Oct-20 | 1017 | -4.3% | -10.6% | 3272 | -2.9% | -3.0% |
| Nov-20 | 995 | -2.1% | -6.3% | 3293 | 0.7% | 4.5% |
| Dec-20 | 1065 | 7.0% | 1.1% | 3500 | 6.3% | 14.3% |
| Jan-21 | 1037 | -2.6% | -4.0% | 3420 | -2.3% | 9.8% |
| Feb-21 | 1032 | -0.5% | -3.8% | 3414 | -0.2% | 11.6% |
| Mar-21 | 1033 | 0.2% | -1.6% | 3446 | 1.0% | 7.9% |

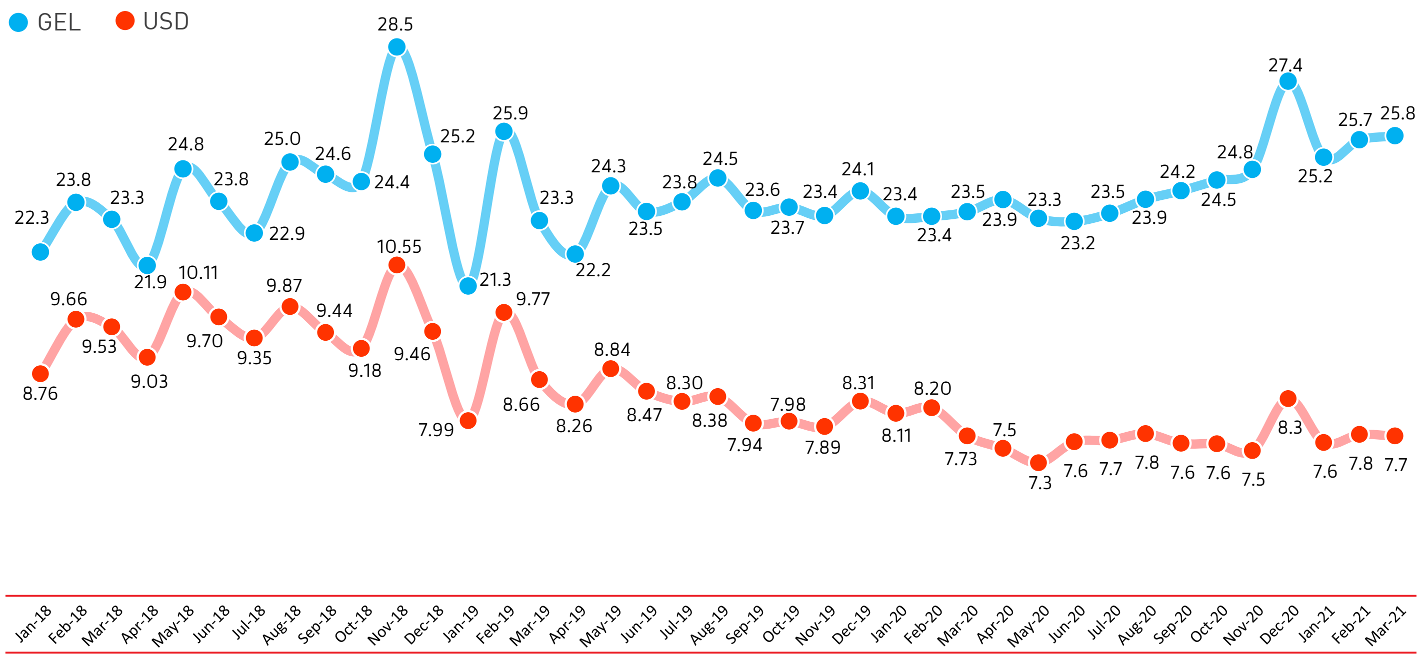
Source: REM lab 2021

**Chart 8: RPI for Commercial Properties, Tbilisi (monthly for 2018-2021)**




Source: REM lab 2021

**Chart 9: ARP for Commercial Properties, Tbilisi (monthly for 2018-2021)**




Source: REM lab 2021

**Table 6: ARP for Commercial Property, Tbilisi (monthly for 2019-2021)**

| M-Y | ASP (USD) | MoM(%) | YoY (%) | ASP (GEL) | MoM(%) | YoY (%) |
|---|---|---|---|---|---|---|
| Jan-19 | 8.0 | -15.6% | -8.8% | 21.3 | -15.7% | -4.6% |
| Feb-19 | 9.8 | 22.4% | 1.2% | 25.9 | 21.8% | 9.0% |
| Mar-19 | 8.7 | -11.4% | -9.1% | 23.3 | -10.3% | -0.2% |
| Apr-19 | 8.3 | -4.7% | -8.6% | 22.2 | -4.3% | 1.5% |
| May-19 | 8.8 | 7.1% | -12.5% | 24.3 | 9.2% | -2.1% |
| Jun-19 | 8.5 | -4.2% | -12.6% | 23.5 | -3.2% | -1.3% |
| Jul-19 | 8.3 | -2.0% | -11.2% | 23.8 | 1.2% | 4.1% |
| Aug-19 | 8.4 | 1.0% | -15.0% | 24.5 | 3.0% | -1.9% |
| Sep-19 | 7.9 | -5.2% | -15.9% | 23.6 | -4.0% | -4.4% |
| Oct-19 | 8.0 | 0.4% | -13.1% | 23.7 | 0.4% | -3.1% |
| Nov-19 | 7.9 | -1.1% | -25.3% | 23.4 | -1.1% | -17.8% |
| Dec-19 | 8.3 | 5.3% | -12.2% | 24.1 | 3.1% | -4.4% |
| Jan-20 | 8.1 | -2.4% | 1.5% | 23.4 | -3.2% | 9.8% |
| Feb-20 | 8.2 | 1.1% | -16.1% | 23.4 | 0.0% | -9.8% |
| Mar-20 | 7.7 | -5.7% | -10.7% | 23.5 | 0.6% | 1.1% |
| Apr-20 | 7.5 | -2.6% | -8.8% | 23.9 | 1.5% | 7.4% |
| May-20 | 7.3 | -3.2% | -17.6% | 23.3 | -2.4% | -4.0% |
| Jun-20 | 7.6 | 4.7% | -9.9% | 23.2 | -0.4% | -1.2% |
| Jul-20 | 7.7 | 0.3% | -7.7% | 23.5 | 1.0% | -1.5% |
| Aug-20 | 7.8 | 1.4% | -7.3% | 23.9 | 1.8% | -2.6% |
| Sep-20 | 7.6 | -2.1% | -4.2% | 24.2 | 1.1% | 2.5% |
| Oct-20 | 7.6 | -0.1% | -4.7% | 24.5 | 1.3% | 3.4% |
| Nov-20 | 7.5 | -1.5% | -5.0% | 24.8 | 1.3% | 5.9% |
| Dec-20 | 8.3 | 11.4% | 0.5% | 27.4 | 10.7% | 13.7% |
| Jan-21 | 7.6 | -8.6% | -5.9% | 25.2 | -8.3% | 7.6% |
| Feb-21 | 7.8 | 1.7% | -5.4% | 25.7 | 2.1% | 9.8% |
| Mar-21 | 7.7 | -0.3% | 0.0% | 25.8 | 0.5% | 9.7% |

Source: REM lab 2021

# TBILISI AND GEORGIA REAL PROPERTY SALES

In comparison to Q4 2020, the GEO real property market contracted moderately by 4.3% in Q1 2021 (from 32,197 units sold in Q4 2020 to 30,825 in Q1 2021), while the annual increase is observed at 9.0% (YoY) compared to Q1 2020. This annual increase was mainly caused by a significant increase of 44.2% (YoY) in the number of sales in March 2021 compared to March 2020 (from 8,796 units sold in March 2020 to 12,682 in March 2021).

Tbilisi dominated the real property market with a 39.3% share in total sales in Q1 2021 (Tbilisi held 41.3% of total sales in Q4 2020). The Tbilisi market was followed by Kakheti and Adjara, with 11.0% and 10.3% of GEO sales respectively.

In Q1 2021 Racha-Lechkhumi & Kvemo Svaneti experienced the highest increase (YoY) in sales (189.9%), followed by Guria (62.3%), Mtskheta-Mtianeti (57.6%), and Imereti (18.7%). In total, the market outside the capital grew by 12.4% (YoY). More than half (51.0%) of GEO sales were registered in the three largest cities: Tbilisi, Batumi and Kutaisi.

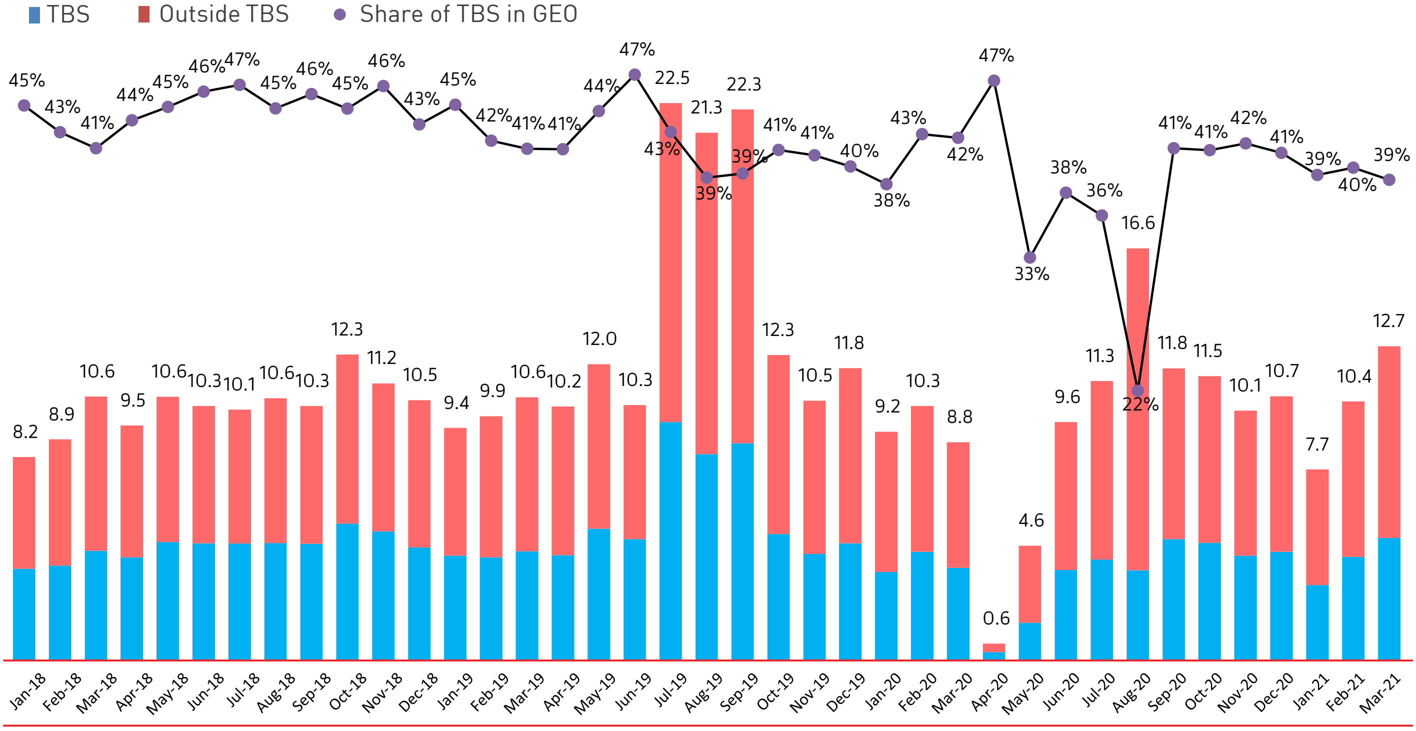
**For Q1 2021, the TOP 3 regions by GEO sales were:**

Tbilisi (12,099 units, 39.3%)
Kakheti (3,376 units, 11.0%)
Adjara (3,190 units, 10.3%)

**For Q1 2021, the TOP 3 Tbilisi districts by sales were:**

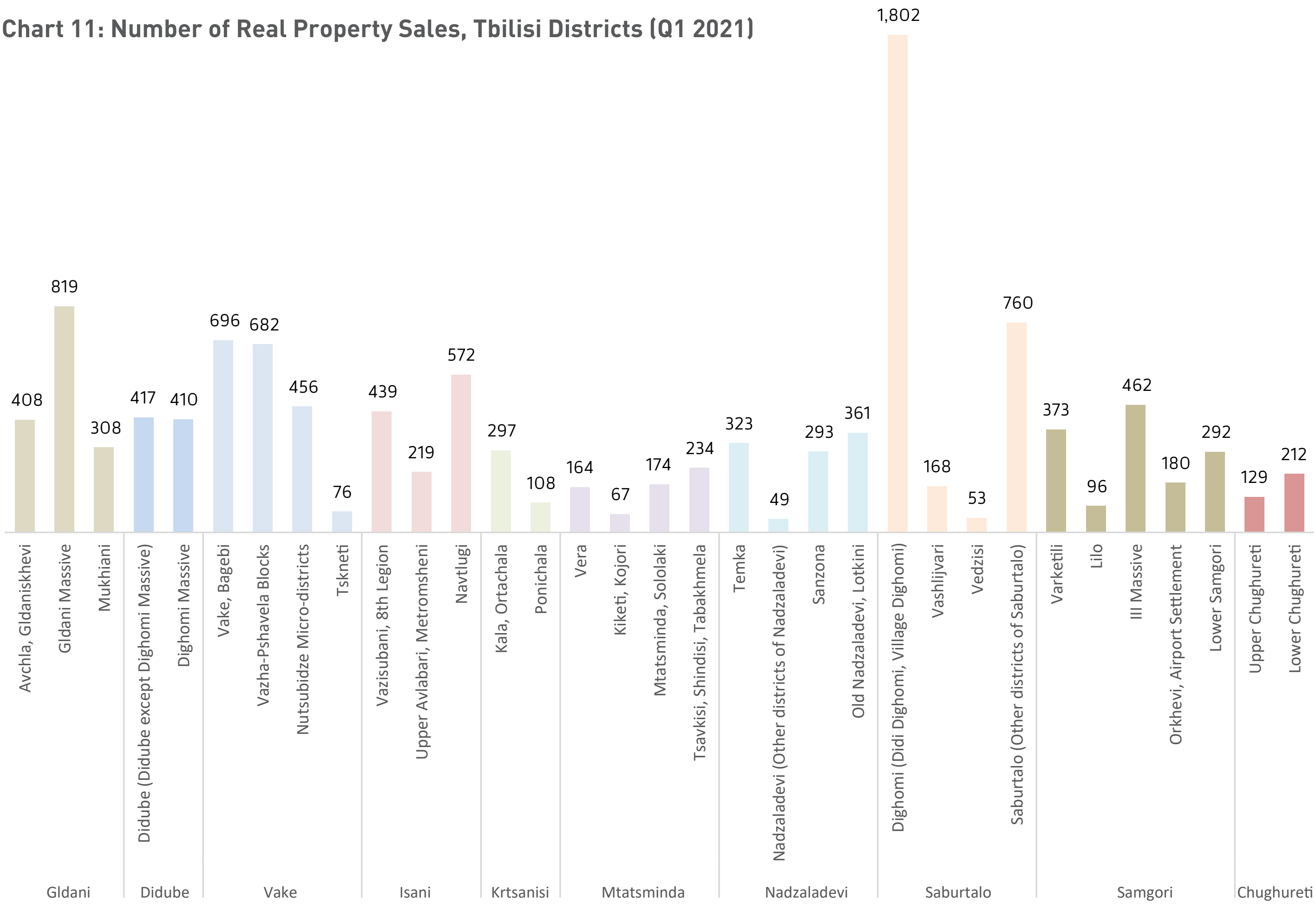
Dighomi (Didi Dighomi, Village Dighomi) (1,802 units, 14.9%)
Gldani Massive (819 units, 6.8%)
Saburtalo (Excluding Dighomi, Vashlijvari and Vedzisi) (760 units, 6.3%)

## Chart 10: Number of Real Property Sales (thousands), Tbilisi and Georgia (monthly for 2018-2021)




Source: REM lab 2021

## Chart 11: Number of Real Property Sales, Tbilisi Districts (Q1 2021)




*Note: The district division of Tbilisi is based on Resolution №16-35, on the division of administrative units into districts, within the administrative boundaries of the Tbilisi Municipality.*

**Table 7: Number of Real Property Sales, Regions of Georgia (Q1 2021)**

| REGION | NUMBER (UNIT) | SHARE IN GEO (%) | YoY (%) |
|---|---|---|---|
| Tbilisi | 12,099 | 39% | 4% |
| Ajara | 3,190 | 10% | -6% |
| Guria | 701 | 2% | 62% |
| Imereti | 2,556 | 8% | 19% |
| Kakheti | 3,376 | 11% | -2% |
| Mtskheta-Mtianeti | 2,190 | 7% | 58% |
| Racha-Lechkhumi & Kvemo Svaneti | 316 | 1% | 190% |
| Samegrelo-Zemo Svaneti | 1,111 | 4% | 9% |
| Samtskhe-Javakheti | 1,049 | 3% | 4% |
| Kvemo Kartli | 2,427 | 8% | 16% |
| Shida Kartli | 1,810 | 6% | 13% |

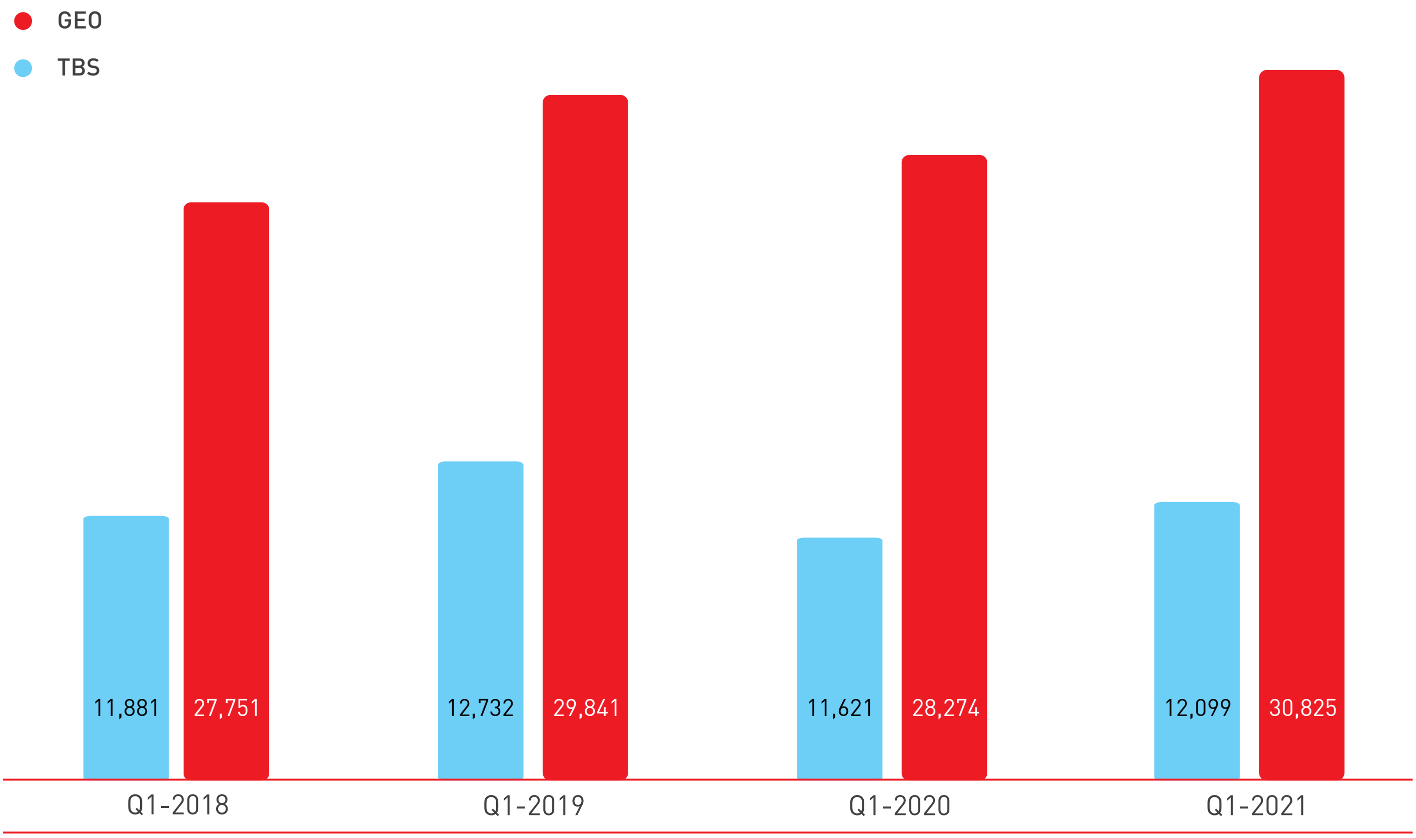
Source: NAPR 2021

**Table 8: Number of Real Property Sales, Top Cities & Municipalities (Q1 2021)**

| CITY/MUNICIPALITY | NUMBER (UNIT) | SHARE IN GEO (%) |
|---|---|---|
| TBILISI | 12,099 | 39% |
| BATUMI | 2,804 | 9% |
| MTSKHETA MUN | 1,211 | 4% |
| GORI MUN | 993 | 3% |
| KUTAISI | 832 | 3% |

Source: NAPR 2021

**Chart 12: Number of Real Property Sales, Tbilisi and Georgia (Q1 2018-2021)**




Source: TCH|MDS 2020

# TBILISI REAL PROPERTY SUPPLY

In Q1 2021, 169 new buildings in total, with an area of 105,747 m2 were completed in Tbilisi. The capital's real property supply increased in the number of buildings (23.4% YoY), but declined in their total area (-40.9% YoY) compared to Q1 2020.

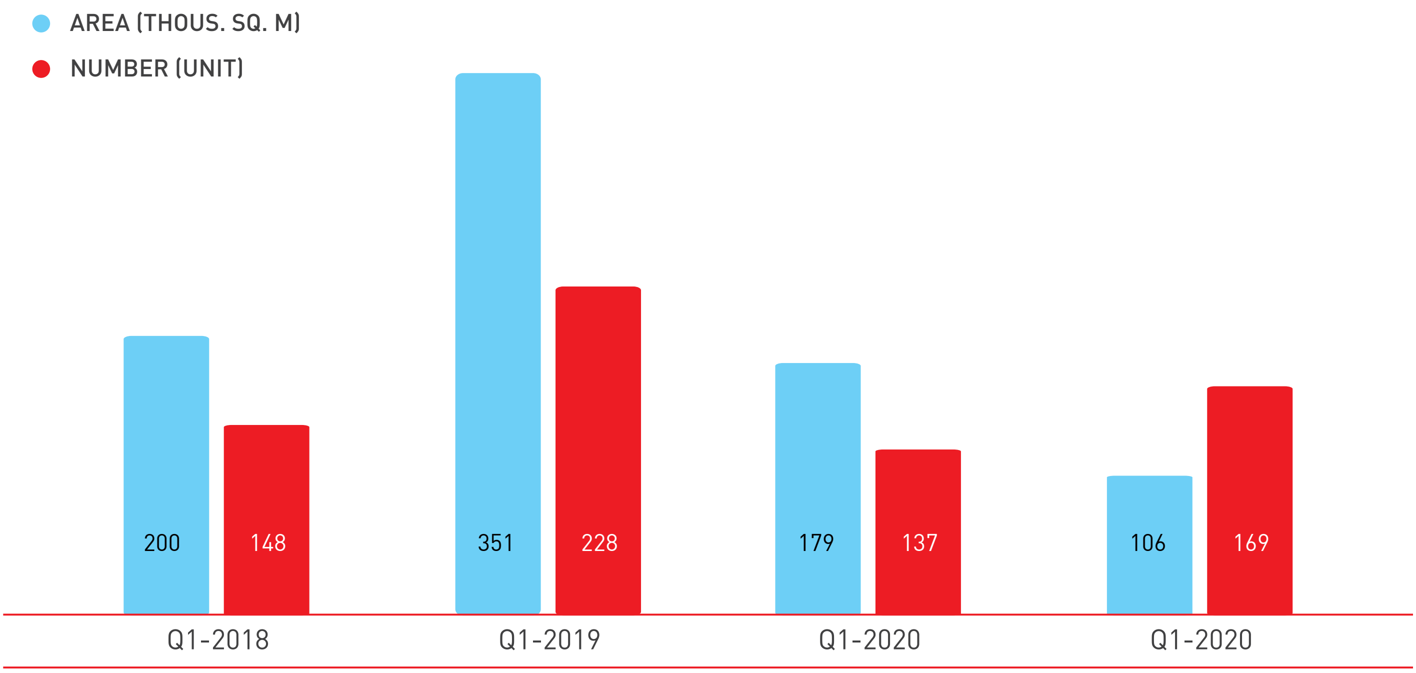
In Q1 2021 Tbilisi's new real property supply was composed of the following: 140 units of residential buildings (with a total area of 74,226 m2), 20 commercial buildings (with a total area of 16,440 m2), and 9 multi-functional buildings (with a total area of 15,082 m2).

The annual change in the number of buildings was negative in January 2021 (-70.2% YoY), however it became positive in February and March 2021 (61.2% and 85.4%, YoY) compared to 2020. As for the total area of buildings, annual change was negative in every month of the first quarter, with the greatest decrease observed in January (-86.4% YoY) compared to 2020.

In Q1 2021, the largest share of new building area (18.4% of total area) was completed in Dighomi (Didi Dighomi, Village Dighomi), followed by Vazha-Pshavela Blocks (14.4%) and Sanzona (11.0%)

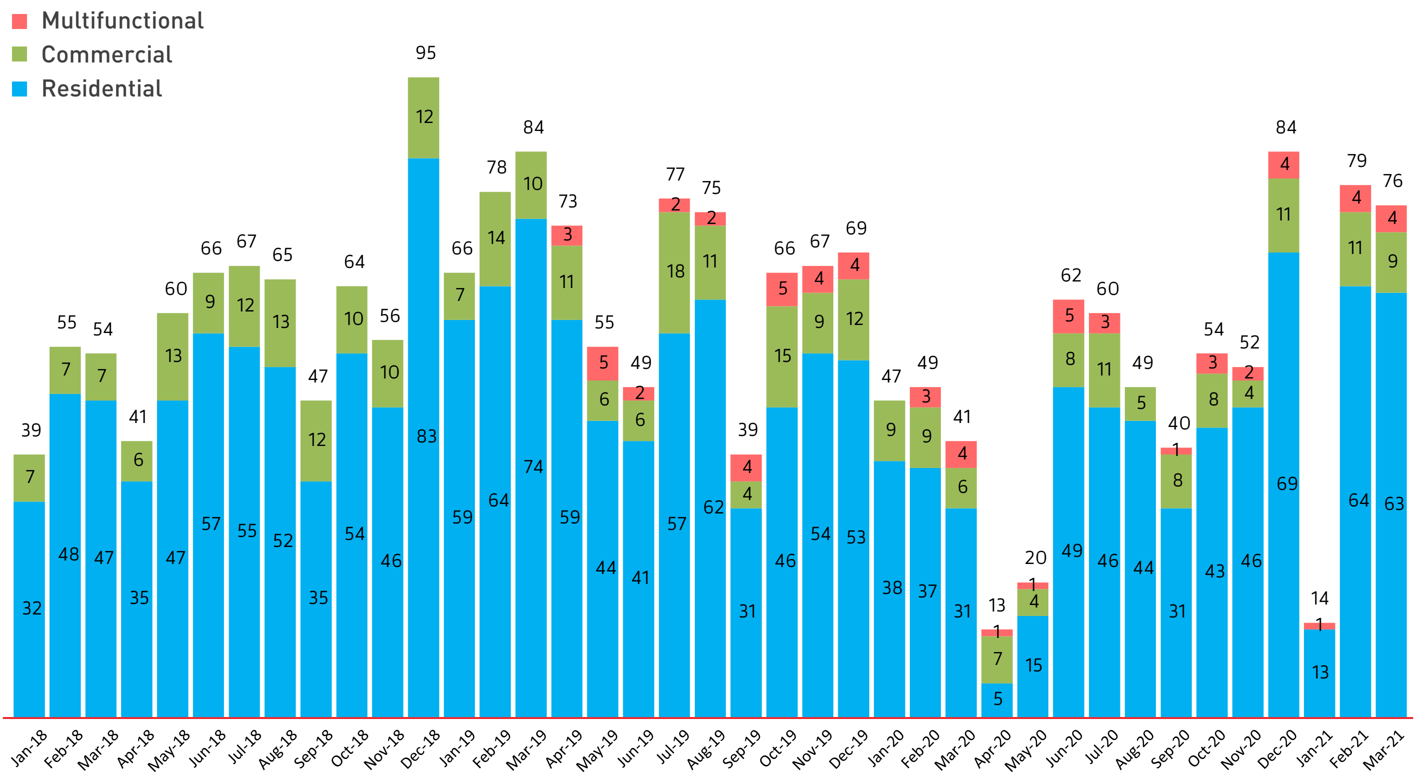
Multi-functional buildings (MF) have been identified as a separate category, since at this stage it is impossible to define which part is commercial and which residential.

**Chart 13: Supply of New Buildings, Unit & Area, Tbilisi (Q1, 2018-2021)**




Source: TCH|MDS 2020

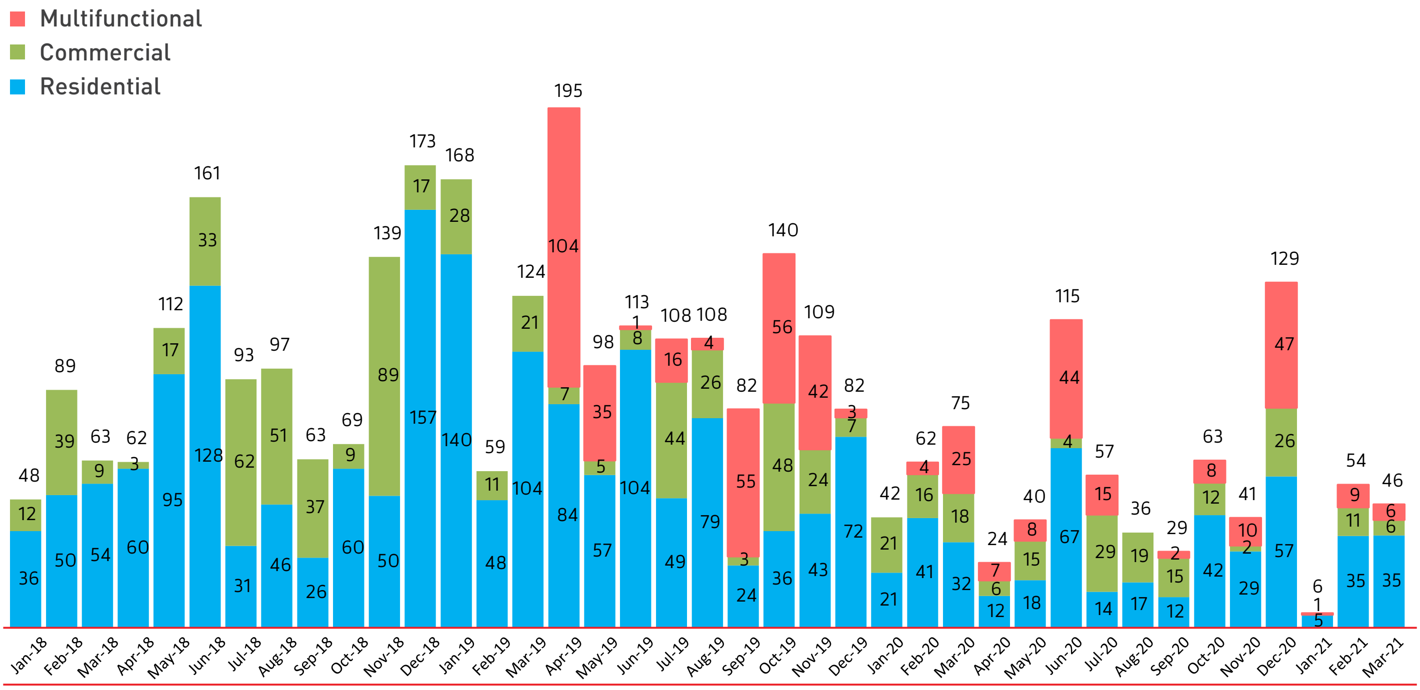
**Chart 14: Supply of New Buildings, Units, Tbilisi (monthly for 2018-2021)**




Source: REM lab 2021

Multi-functional buildings (MF) have been identified as a separate category, since at this stage it is impossible to define which part is commercial and which residential.

**Chart 15: Supply of New Buildings, Area (Thous. Sq. m), Tbilisi (monthly for 2018-2021)**




Source: REM lab 2021

### Table 9: Supply of New Buildings, Tbilisi Districts (Q1, 2020-2021)

| | | 2020 Q1 | | 2021 Q1 | | YoY change | |
|---|---|---|---|---|---|---|---|
| | | ALL (UNIT) | ALL (SQ.M) | ALL (UNIT) | ALL (SQ.M) | ALL (UNIT) | ALL (SQ.M) |
| Gldani | Avchala, Gldaniskhevi | 6 | 12,884 | 4 | 1,398 | -33% | -89% |
| | Gldani Massive | 5 | 20,630 | 6 | 1,300 | 20% | -94% |
| | Mukhiani | 3 | 1,625 | 8 | 1,528 | 167% | -6% |
| Didube | Didube (Didube except Dighomi Massive) | 0 | - | 0 | - | | |
| | Dighomi Massive | 1 | 6,014 | 1 | 763 | 0% | -87% |
| Vake | Vake, Bagebi | 2 | 16,739 | 2 | 7,796 | 0% | -53% |
| | Vazha-Pshavela Blocks | 1 | 6,020 | 3 | 15,226 | 200% | 153% |
| | Nutsubidze Micro-districts | 4 | 1,255 | 6 | 1,894 | 50% | 51% |
| | Tskneti | 5 | 3,099 | 6 | 1,283 | 20% | -59% |
| Isani | Vazisubani, 8th Legion | 1 | 662 | 2 | 1,146 | 100% | 73% |
| | Upper Avlabari, Metromsheni | 3 | 20,623 | 2 | 1,073 | -33% | -95% |
| | Navtlugi | 3 | 1,059 | 3 | 8,702 | 0% | 722% |
| Krtsanisi | Kala, Ortachala | 4 | 6,321 | 13 | 6,054 | 225% | -4% |
| | Ponichala | 0 | - | 3 | 2,170 | | |
| Mtatsminda | Vera | 0 | - | 2 | 942 | | |
| | Kiketi, Kojori | 2 | 703 | 1 | 255 | -50% | -64% |
| | Mtatsminda, Sololaki | 2 | 475 | 0 | - | -100% | -100% |
| | Tsavkisi, Shindisi, Tabakhmela | 10 | 11,465 | 10 | 2,970 | 0% | -74% |
| Nadzaladevi | Temka | 1 | 274 | 4 | 822 | 300% | 200% |
| | Nadzaladevi (Other districts of Nadzaladevi) | 0 | - | 0 | - | | |
| | Sanzona | 4 | 3,290 | 3 | 11,645 | -25% | 254% |
| | Old Nadzaladevi, Lotkini | 6 | 1,713 | 10 | 2,719 | 67% | 59% |
| Saburtalo | Dighomi (Didi Dighomi, Village Dighomi) | 45 | 28,980 | 48 | 19,430 | 7% | -33% |
| | Vashlijvari | 1 | 730 | 0 | - | -100% | -100% |
| | Vedzisi | 1 | 4,563 | 0 | - | -100% | -100% |
| | Saburtalo (Other districts of Saburtalo) | 3 | 16,736 | 3 | 3,831 | 0% | -77% |
| Samgori | Varketili | 5 | 1,424 | 5 | 1,171 | 0% | -18% |
| | Lilo | 3 | 3,735 | 3 | 1,278 | 0% | -66% |
| | III Massive | 0 | - | 3 | 4,515 | | |
| | Orkhevi, Airport Settlement | 1 | 168 | 6 | 1,704 | 500% | 912% |
| | Lower Samgori | 4 | 1,203 | 1 | 1,675 | -75% | 39% |
| Chughureti | Upper Chughureti | 11 | 6,554 | 11 | 2,457 | 0% | -63% |
| | Lower Chughureti | 0 | - | 0 | - | | |

Source: REM lab 2021

# BATUMI & KUTAISI REAL PROPERTY HIGHLIGHTS

In Q1 2021, the real property market decreased by 7.4% (YoY) in Batumi and increased by 16.5% (YoY) in Kutaisi. As a result, there were 2,804 transactions registered in Batumi and 832 in Kutaisi.

The SPI for Batumi residential properties decreased by 11.7% (YoY) and settled at 84.8 index points in Q1 2021. Compared to the previous quarter, Batumi SPI increased by 3.8% (QoQ).

For Kutaisi, the SPI increased by 6.5% (YoY) and amounted to 135.1 points. Compared to the previous quarter Kutaisi SPI also increased by 5.4% (QoQ).

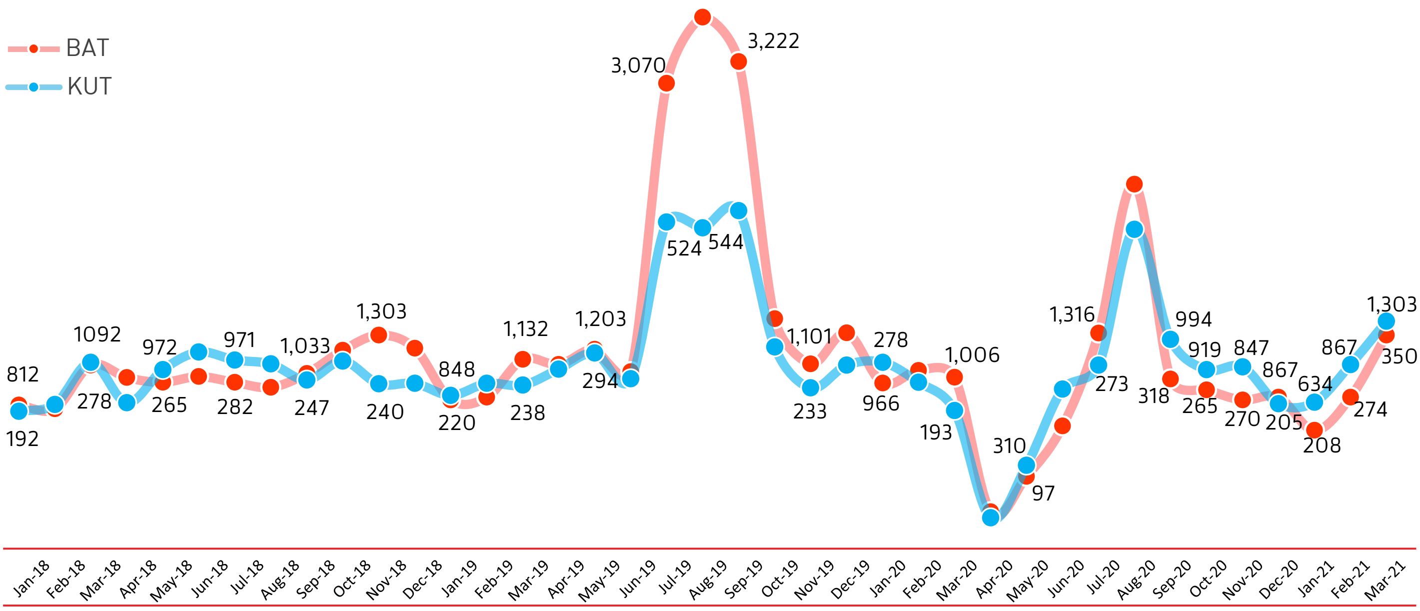
In Q1 2021, the ASP of residential properties decreased by 9.3%, YoY, (-6.5% QoQ) in Batumi and increased by 11.7%, YoY (6.0% QoQ) in Kutaisi, amounting to 690 and 457 USD per m2, respectively.

### Table 10: Number of Real Property Sales, Batumi & Kutaisi (monthly for 2019-2021)

| M-Y | BAT(UNIT) | MoM(%) | YoY (%) | KUT(UNIT) | MoM(%) | YoY (%) |
|---|---|---|---|---|---|---|
| Jan-19 | 848 | -29.9% | 4.4% | 220 | -8.7% | 14.6% |
| Feb-19 | 866 | 2.1% | 10.3% | 241 | 9.5% | 18.1% |
| Mar-19 | 1132 | 30.7% | 3.7% | 238 | -1.2% | -14.4% |
| Apr-19 | 1097 | -3.1% | 9.2% | 266 | 11.8% | 28.5% |
| May-19 | 1203 | 9.7% | 23.8% | 294 | 10.5% | 10.9% |
| Jun-19 | 1046 | -13.1% | 3.4% | 249 | -15.3% | -15.9% |
| Jul-19 | 3070 | 193.5% | 216.2% | 524 | 110.4% | 85.8% |
| Aug-19 | 3534 | 15.1% | 277.6% | 514 | -1.9% | 86.9% |
| Sep-19 | 3222 | -8.8% | 211.9% | 544 | 5.8% | 120.2% |
| Oct-19 | 1417 | -56.0% | 18.5% | 305 | -43.9% | 8.9% |
| Nov-19 | 1101 | -22.3% | -15.5% | 233 | -23.6% | -2.9% |
| Dec-19 | 1318 | 19.7% | 8.9% | 273 | 17.2% | 13.3% |
| Jan-20 | 966 | -26.7% | 13.9% | 278 | 1.8% | 26.4% |
| Feb-20 | 1055 | 9.2% | 21.8% | 243 | -12.6% | 0.8% |
| Mar-20 | 1006 | -4.6% | -11.1% | 193 | -20.6% | -18.9% |
| Apr-20 | 63 | -93.7% | -94.3% | 5 | -97.4% | -98.1% |
| May-20 | 310 | 392.1% | -74.2% | 97 | 1840.0% | -67.0% |
| Jun-20 | 664 | 114.2% | -36.5% | 231 | 138.1% | -7.2% |
| Jul-20 | 1316 | 98.2% | -57.1% | 273 | 18.2% | -47.9% |
| Aug-20 | 2361 | 79.4% | -33.2% | 511 | 87.2% | -0.6% |
| Sep-20 | 994 | -57.9% | -69.1% | 318 | -37.8% | -41.5% |
| Oct-20 | 919 | -7.5% | -35.1% | 265 | -16.7% | -13.1% |
| Nov-20 | 847 | -7.8% | -23.1% | 270 | 1.9% | 15.9% |
| Dec-20 | 867 | 2.4% | -34.2% | 205 | -24.1% | -24.9% |
| Jan-21 | 634 | -26.9% | -34.4% | 208 | 1.5% | -25.2% |
| Feb-21 | 867 | 36.8% | -17.8% | 274 | 31.7% | 12.8% |
| Mar-21 | 1303 | 50.3% | 29.5% | 350 | 27.7% | 81.3% |

Source: REM lab 2021

### Chart 16: Number of Real Property Sales, Batumi & Kutaisi (monthly for 2018-2021)



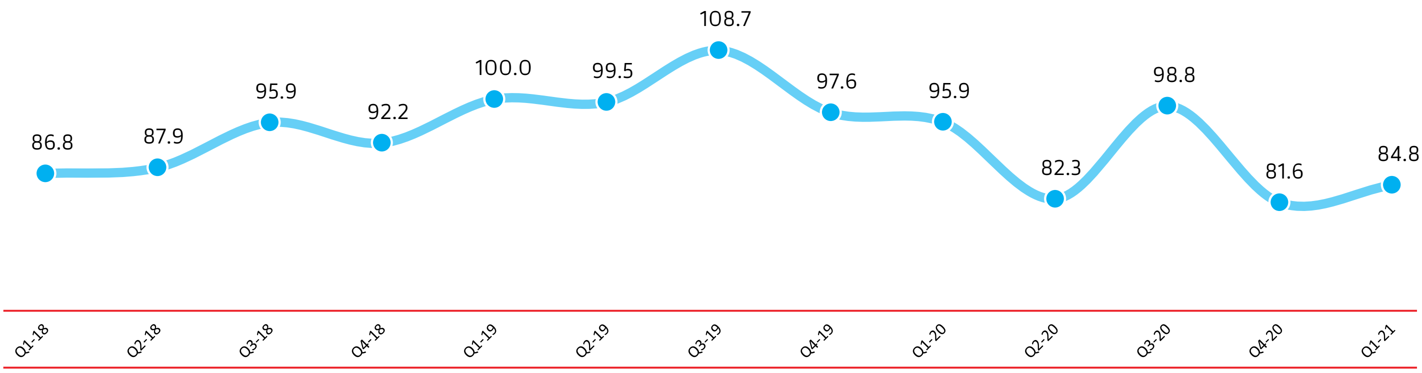

Source: REM lab 2021

### Table 11: ASP for Residential Properties, Batumi (quarterly, 2018-2021)

| Q-Y | ASP (USD) | QoQ (%) | ASP (GEL) | QoQ (%) |
|---|---|---|---|---|
| Q1-18 | 772 | | 1919 | |
| Q2-18 | 795 | 3.0% | 1945 | 1.3% |
| Q3-18 | 802 | 0.9% | 2030 | 4.4% |
| Q4-18 | 842 | 5.0% | 2253 | 11.0% |
| Q1-19 | 827 | -1.8% | 2207 | -2.0% |
| Q2-19 | 834 | 0.8% | 2285 | 3.5% |
| Q3-19 | 798 | -4.3% | 2330 | 2.0% |
| Q4-19 | 783 | -1.9% | 2306 | -1.0% |
| Q1-20 | 760 | -2.9% | 2223 | -3.6% |
| Q2-20 | 745 | -2.0% | 2337 | 5.1% |
| Q3-20 | 755 | 1.4% | 2344 | 0.3% |
| Q4-20 | 738 | -2.3% | 2414 | 3.0% |
| Q1-21 | 690 | -6.5% | 2286 | -5.3% |

Source: REM lab 2021

**Chart 17: SPI of Residential Property, Batumi (quarterly, 2018-2021)**



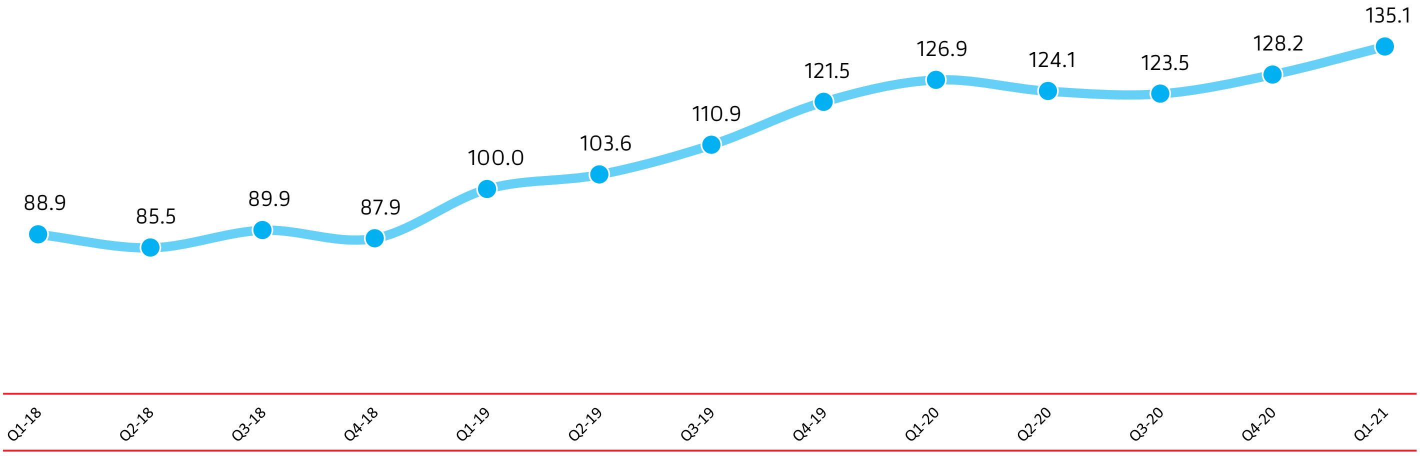

Source: REM lab 2021

**Table 12: ASP for Residential Properties, Kutaisi (quarterly, 2018-2021)**

| Q-Y | ASP (USD) | QoQ (%) | ASP (GEL) | QoQ (%) |
|---|---|---|---|---|
| Q1-18 | 391 | | 973 | |
| Q2-18 | 351 | -10.2% | 859 | -11.6% |
| Q3-18 | 391 | 11.2% | 989 | 15.1% |
| Q4-18 | 399 | 2.0% | 1067 | 7.9% |
| Q1-19 | 417 | 4.5% | 1112 | 4.2% |
| Q2-19 | 374 | -10.3% | 1024 | -7.9% |
| Q3-19 | 444 | 18.7% | 1296 | 26.6% |
| Q4-19 | 440 | -0.9% | 1295 | 0.0% |
| Q1-20 | 409 | -7.0% | 1196 | -7.6% |
| Q2-20 | 395 | -3.4% | 1239 | 3.6% |
| Q3-20 | 404 | 2.3% | 1254 | 1.2% |
| Q4-20 | 431 | 6.7% | 1410 | 12.4% |
| Q1-21 | 457 | 6.0% | 1514 | 7.4% |

Source: REM lab 2021

**Chart 18: SPI for Residential Properties, Kutaisi (quarterly, 2018-2021)**




Source: REM lab 2021

### Table 13: Monthly Trend of USD|GEL Exchange Rate (2019-2021)

| M-Y | USD/GEL | MoM(%) | YoY (%) |
|---|---|---|---|
| Jan-19 | 2.6654 | -0.1% | 4.6% |
| Feb-19 | 2.6531 | -0.5% | 7.7% |
| Mar-19 | 2.6841 | 1.2% | 9.9% |
| Apr-19 | 2.6943 | 0.4% | 11.1% |
| May-19 | 2.7465 | 1.9% | 11.9% |
| Jun-19 | 2.7767 | 1.1% | 13.0% |
| Jul-19 | 2.8686 | 3.3% | 17.2% |
| Aug-19 | 2.9263 | 2.0% | 15.5% |
| Sep-19 | 2.9646 | 1.3% | 13.6% |
| Oct-19 | 2.9653 | 0.0% | 11.4% |
| Nov-19 | 2.9673 | 0.1% | 10.0% |
| Dec-19 | 2.9055 | -2.1% | 8.9% |
| Jan-20 | 2.8829 | -0.8% | 8.2% |
| Feb-20 | 2.8516 | -1.1% | 7.5% |
| Mar-20 | 3.0407 | 6.6% | 13.3% |
| Apr-20 | 3.1717 | 4.3% | 17.7% |
| May-20 | 3.1980 | 0.8% | 16.4% |
| Jun-20 | 3.0419 | -4.9% | 9.5% |
| Jul-20 | 3.0628 | 0.7% | 6.8% |
| Aug-20 | 3.0735 | 0.3% | 5.0% |
| Sep-20 | 3.1723 | 3.2% | 7.0% |
| Oct-20 | 3.2177 | 1.4% | 8.5% |
| Nov-20 | 3.3087 | 2.8% | 11.5% |
| Dec-20 | 3.2864 | -0.7% | 13.1% |
| Jan-21 | 3.2973 | 0.3% | 14.4% |
| Feb-21 | 3.3092 | 0.4% | 16.0% |
| Mar-21 | 3.3356 | 0.8% | 9.7% |

Source: REM lab 2021