



National Statistics Office of Georgia

**RESIDENTIAL PROPERTY PRICE
INDEX IN GEORGIA
2021
I QUARTER**



26.04.2021

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RESIDENTIAL PROPERTY PRICE INDEX

I QUARTER OF 2021

In the I quarter of 2021 the Residential Property Price Index (RPPI) in Georgia increased by 2.0 percent compared to the previous quarter, while the annual increase amounted to 13.6 percent. Compared to the 2020 average the index change amounted to 9.4 percent.

The RPPI covers the market of new residential property in Tbilisi, both flats and detached houses segments.

The following table shows percentage changes of the RPPI compared to the previous quarter, the corresponding quarter of the previous year and to 2020 average.

INDEX	COMPARED TO 2020 AVERAGE, %	COMPARED TO PREVIOUS QUARTER, %	COMPARED TO THE SAME QUARTER OF PREVIOUS YEAR, %
Total RPPI	9.4	2.0	13.6
Flats	8.2	1.8	12.0
Detached houses	12.8	2.6	18.3

In the I quarter of 2021 compared to the previous quarter the price increase was registered in **flats** segment (1.8 percent). In the same period, the prices increased also for detached houses (2.6 percent).

Compared to the I quarter of 2020 there was a notable price increase for **detached houses** (18.3 percent). With regard to **flats**, prices increased by 12.0 percent.

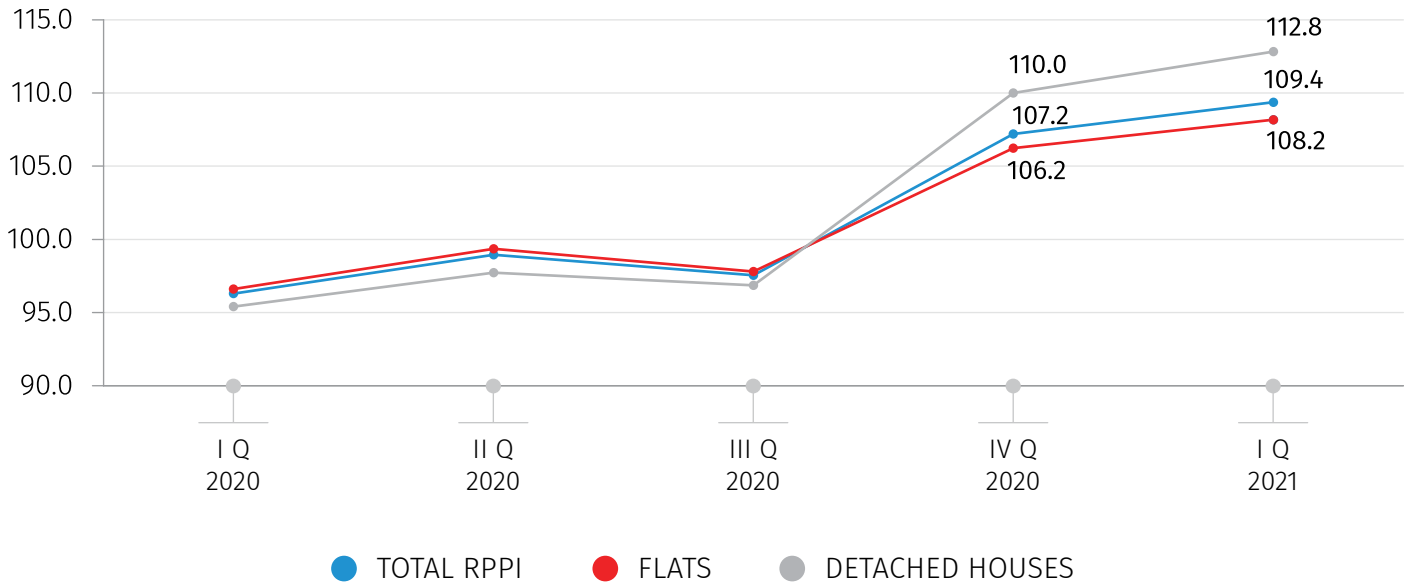
The following graph represents the dynamics of the total RPPI and its sub-indices, as well as the Consumer Price Index.

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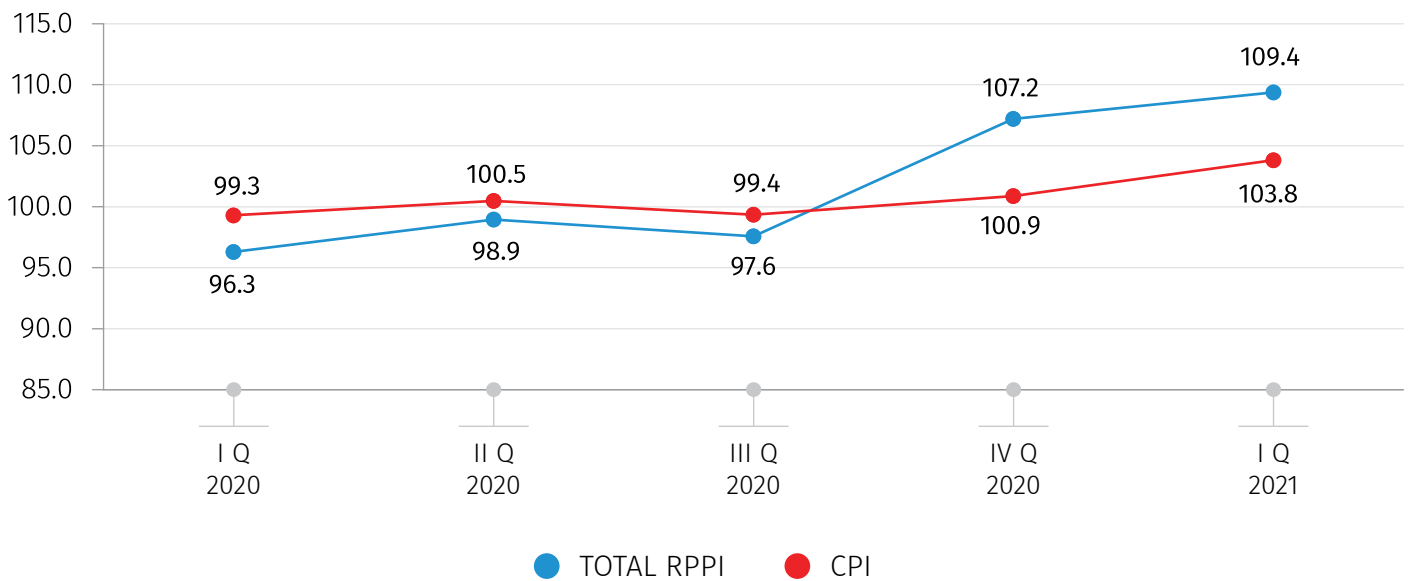
RPPI FOR FLATS AND DETACHED HOUSES

(2020 AVERAGE = 100)



RPPI AND CPI

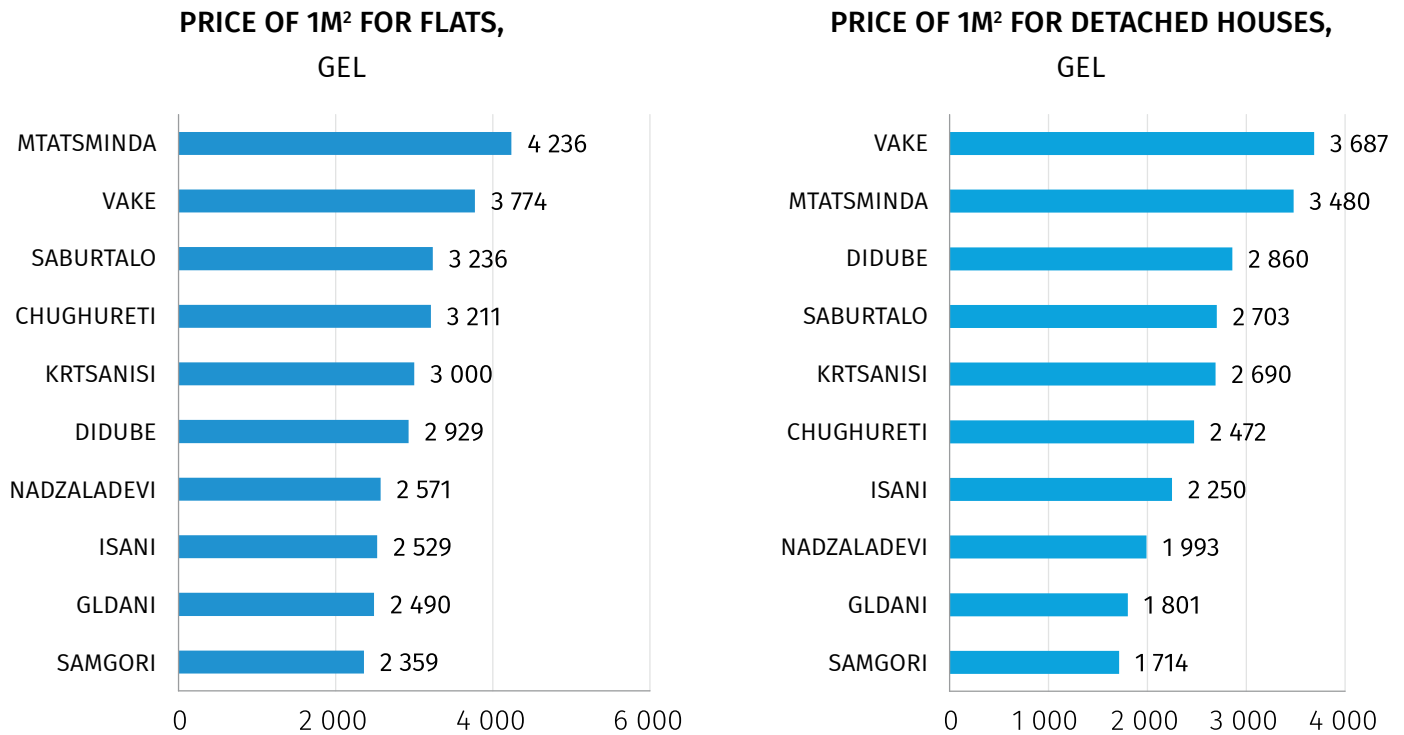
(2020 AVERAGE = 100)



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The following graph represents the median prices of 1m² in the newly-built residential properties in the I quarter of 2021 in Tbilisi, by districts*.

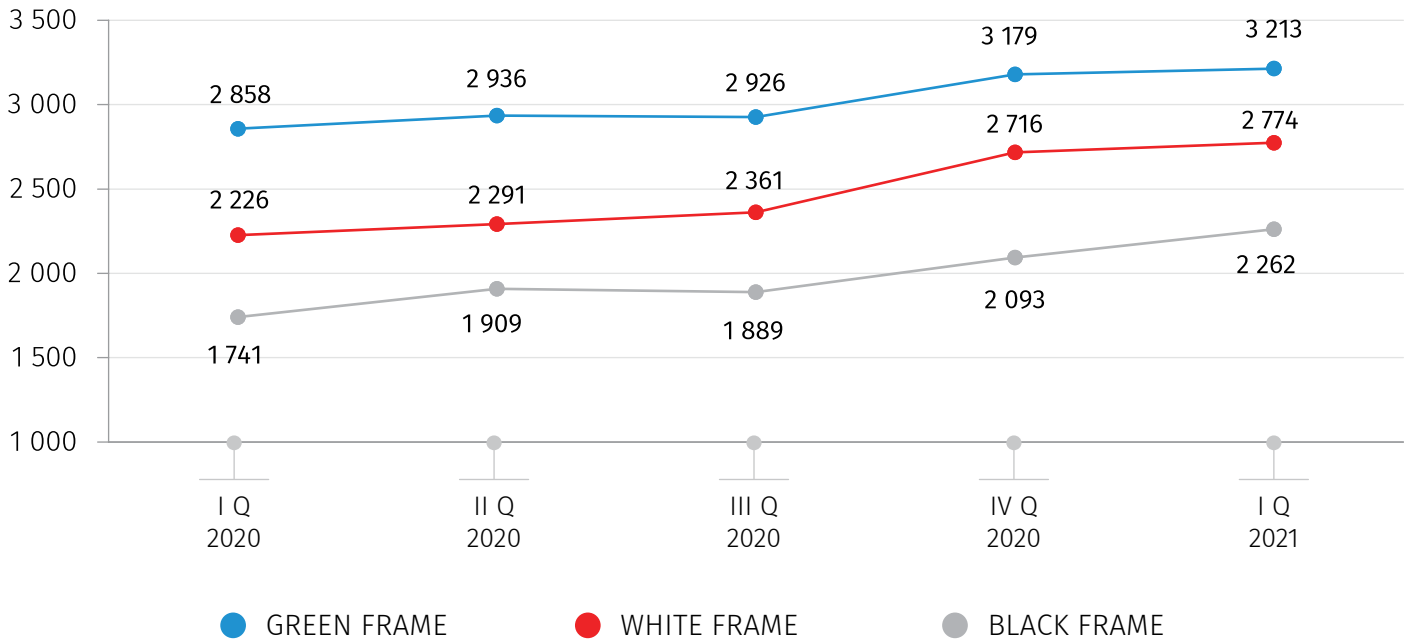


*Note: The mentioned prices are so called "offer prices". The data is obtained using web scraping and calculating median prices.

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The following graph represents dynamics of price of 1m² for newly-built flats, according to their condition (frame)*.

FLAT PRICES BY CONDITION (FRAMES),
GEL



*Note: The mentioned prices are so called "offer prices". The data is obtained using web scraping and calculating median prices.

Source:

Myhome, <https://www.myhome.ge/ka/>

Saqme.ge, <https://ss.ge/ka/udzravi-qoneba>

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Methodology note

The residential property price index (RPPI) measures the price evolution for residential properties. The index covers only the market of new dwellings, for both multi-dwelling buildings (flats) and detached houses, in Tbilisi.

Property price indexes are used by central banks and other policy making institutions, as well as analysts, researchers and other users within and outside of the country. RPPI is used for the following purposes:

1. To assess development and risks on the real estate market;
2. To understand and evaluate the links between residential real estate markets and financial soundness.

The National Statistics Office of Georgia collects data on dwellings for sale from the real estate advertising websites to obtain the necessary microdata to allow for the compilation of the RPPI. The data is obtained automatically using web scraping. The obtained data is so called "offer prices".

For the RPPI compilation the National Statistics Office of Georgia uses so called "characteristics hedonic approach". According to the approach, RPPI measures the price evolution of a "typical" dwelling.

For more details please see the [technical manual](#) of index calculation.

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