

SHOPPING MALLS & HIGH STREETS MARKETBEAT

KEY HIGHLIGHTS

2025

Better never settles



Georgia's retail real estate market in 2025 continues to transition toward more structured, institutional-grade formats, supported by improving consumer demand, selective new supply, and resilient prime locations. Market performance remains clearly differentiated by city, retail format, and corridor quality, with shopping centres and prime high-street locations maintaining strong positioning, while secondary assets remain more price-sensitive.

In Tbilisi, retail expansion is driven by recent shopping-centre completions and an active development pipeline, alongside sustained demand for prime high-street corridors anchored by premium and international brands. Batumi's retail market, by contrast, remains more tourism-oriented and supply-constrained, supported by stable existing stock, selective tenant optimisation, and several large-scale projects shaping the medium-term outlook.

Across both markets, prime locations continue to demonstrate pricing resilience, underpinned by strong footfall, brand demand, and limited availability of high-quality space. Looking ahead, planned developments, evolving tenant mixes, and the ongoing differentiation between prime and secondary locations are expected to remain the key drivers shaping retail market performance.

SHOPPING CENTRE SUPPLY

By year-end 2025, Tbilisi’s modern shopping-centre stock exceeded 573,000 sqm of GLA, supported by several notable completions. A key milestone was the opening of Outlet Village in Q3 2025, introducing several new-to-market brands and expanding the city’s outlet retail offering. In parallel, East Point completed an extension toward the end of the year, further strengthening its tenant mix.

Looking ahead, a sizeable development pipeline is expected to further expand supply. Planned projects, including City Mall Saburtalo, City Mall Gldani, and new developments such as Arena Mall, Autograph Mall, and Varketili Mall, are projected to add over 140,000 sqm of GLA.

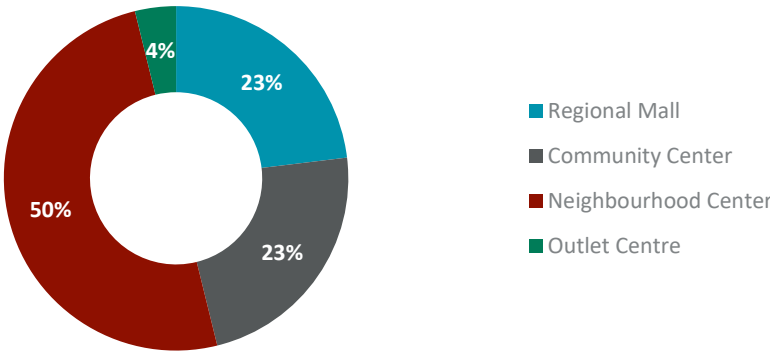
HIGH STREET RETAIL

Chavchavadze Avenue, Rustaveli Avenue, Freedom Square, Pekini Avenue, Aghmashenebeli Avenue, and Khizanishvili Street continue to define Tbilisi’s principal high-street retail corridors, each serving a distinct consumer segment. Chavchavadze Avenue, Rustaveli Avenue, and Freedom Square represent the city’s prime retail locations, characterised by a strong concentration of premium and luxury brands and the highest rental benchmarks in the market.

Pekini Avenue functions as a core mid-market corridor, attracting a balanced mix of international and local retailers. Aghmashenebeli Avenue has increasingly evolved into a mixed-use destination, shaped by a growing food and beverage offering alongside office uses, which supports active street-level engagement. In contrast, Khizanishvili Street primarily serves value-oriented demand, with a concentration of affordable fashion and essential services, including banks and pharmacies.

Premium and luxury brands remain firmly established along Chavchavadze Avenue, Rustaveli Avenue, and Freedom Square, operating through both flagship stores and curated multi-brand boutiques such as Garderobe, New Trend, and Boygar’s. Rental levels along these prime corridors continue to reflect their strong visibility and consistently high pedestrian flows. In 2025, Tbilisi’s street-retail market recorded several notable brand entries, including Sandro, Maje, and Adidas on Rustaveli Avenue, as well as Principe (multi-brand), Harmont & Blaine, and Baldinini on Chavchavadze Avenue. Additionally, the Lätt Liv Lifestyle brand entered the market in 2025, opening its first store on Pekini Avenue.

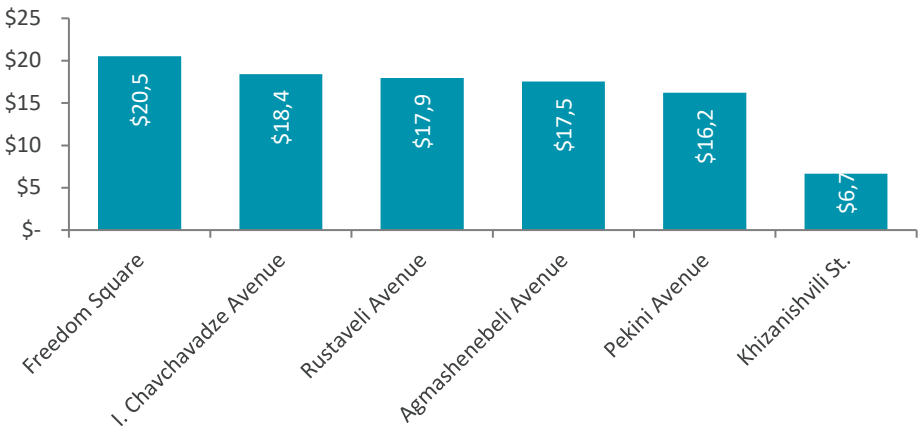
SHOPPING CENTRE TYPOLOGY FOR TBILISI



Shopping Centre Market Indicators

Vacancy Rate ≈ up to 10%
Asking Rent Rate ≈ \$40
Service Charge ≈ \$7-\$8

WEIGHTED AVERAGE RENT RATE/SQM



Source: Cushman and Wakefield | Veritas, Public Domain
* The data is based solely on available listings

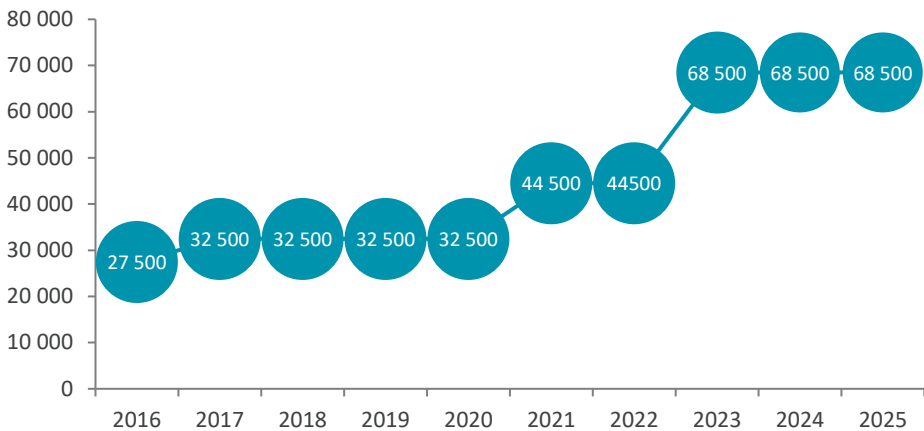
SHOPPING CENTRE SUPPLY

Batumi’s organised retail market remained stable in 2025, with no new additions to the stock of modern shopping centres. The city currently comprises five operating malls, providing approximately 68,500 sqm of leasable area. The market is anchored by established schemes including Black Sea Mall, DS Mall, Metro City, Batumi Mall, and Grand Mall, each serving distinct catchments and tenant profiles. Several centres recorded targeted tenant upgrades during the year, reflecting ongoing optimisation rather than expansion. Looking ahead, Orbi City Mall represents a key upcoming addition. The project is expected to deliver approximately 80,000 sqm, including over 40,000 sqm of retail and F&B, positioning it as Batumi’s largest retail destination. Porto Point Shopping Centre is also planned, further supporting medium-term supply growth.

HIGH STREET RETAIL

In 2025, Batumi’s prime high-street corridors continued to demonstrate pricing resilience, reinforcing their position as the city’s most defensive retail real estate locations. Sherif Khimshiashvili Avenue remained the leading high-rent destination, while Chavchavadze Street continued to operate at the more affordable end of the market. The premium segment remained anchored by Sherif Khimshiashvili Avenue and Rustaveli Avenue, where strong visibility and established retail positioning support higher and more sustainable rental benchmarks. Batumi’s high-street tenant composition is distinctly corridor-driven. Sherif Khimshiashvili Avenue is primarily tourism-oriented, anchored by mixed-use and apart-hotel developments, luxury hospitality, shopping centres, entertainment uses, and destination food and beverage concepts. Rustaveli Avenue functions as a prestigious institutional and cultural axis, characterised by luxury hotels, governmental, educational, and cultural institutions, with retail activity focused largely on services and gastronomy. In contrast, Chavchavadze Street serves as a city-oriented commercial spine, dominated by banks, electronics retailers, supermarkets, healthcare providers, pharmacies, and household retail. In 2025, Batumi’s street-retail landscape expanded selectively, with the opening of ICR HOME and Agro Food Market on Pushkini Street, alongside new Goodwill and Carrefour branches in New Batumi, further strengthening the city’s retail offer.

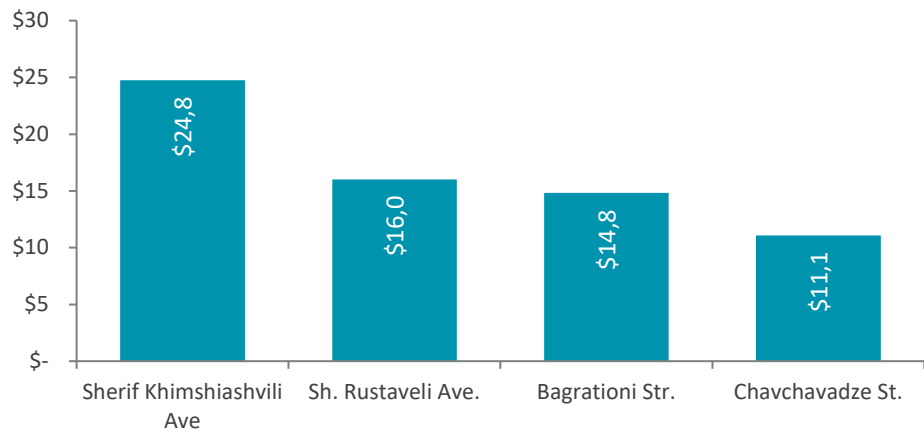
BATUMI SHOPPING CENTRE SUPPLY GROWTH (GLA, SQM)



Shopping Centre Market Indicators

Vacancy Rate ≈ up to 2%
Asking Rent Rate ≈ \$25-\$35
Service Charge ≈ \$1-\$2

WEIGHTED AVERAGE RENT/SQM



Source: Cushman and Wakefield | Veritas, Public Domain
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