

Analysis of Armenian Real Estate Market

2026



Introduction

In recent years, the real estate market in Armenia has experienced substantial growth, attracting considerable attention from both the public and private sectors. The unprecedented level of activity recorded in 2024 created a contrasting dynamic in 2025.

The surge observed in 2024 was largely driven by expectations surrounding the discontinuation of the income tax refund program in several administrative districts of Yerevan.

In 2021, the government implemented restrictions on the income tax refund program, gradually suspending building construction in Yerevan until 2025. This measure aimed to stimulate development in regional communities while alleviating pressure on the capital's housing inventory.

The program was canceled from January 1, 2023 for those who purchased housing in the 2nd zone, and from July 1, 2023 in the 3rd zone. For the rest of the city of Yerevan, a precondition for obtaining a mortgage loan was established by January 1, 2025.

As of the tax refund program for the regions of RA, it is expected to establish that after January 1, 2027, income tax on mortgage loans on the primary market is not refundable if the property is located in the regions adjacent to the city of Yerevan - Aragatsotn, Ararat, Armavir and Kotayk.

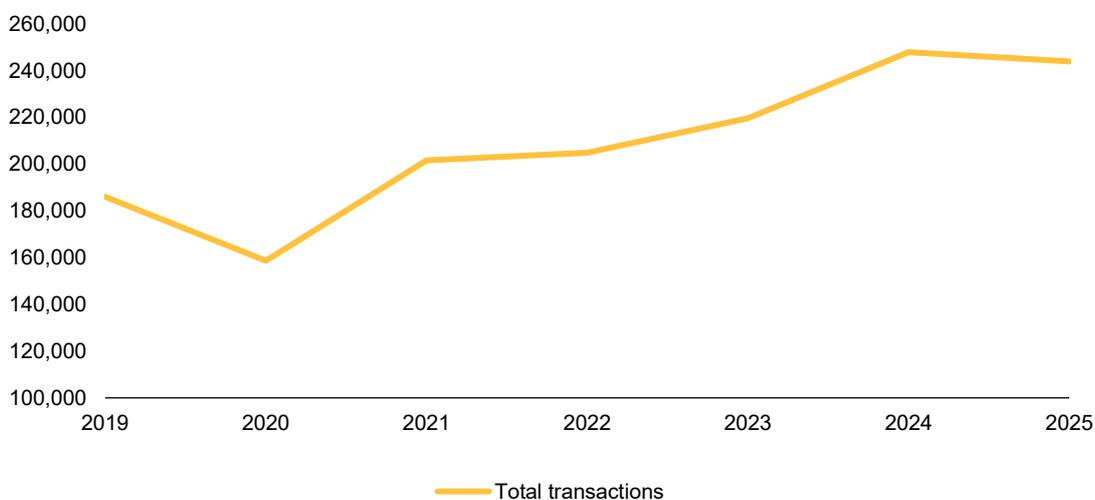
From January 1, 2029, tax refunds will no longer apply in other areas. Restrictions will not apply to border settlements.

Consequently, following the expiration of this incentive, the real estate market experienced a downturn in 2025. Against the backdrop of a certain decrease in prices in the real estate market of the Republic of Armenia, the acquisition of real estate in the Republic of Armenia has become relatively more attractive for foreign citizens.

General overview of real estate transactions in Yerevan and the regions

The total number of real estate purchase and sale transactions in 2025 compared to 2024 in Armenia decreased by 1.61%. At the same time, transactions in the marzes decreased by 5.33%, while in Yerevan they increased by 8.04%. This divergence can primarily be explained by two factors. First, the ongoing internal migration from the regions to Yerevan continues to stimulate demand in the capital. Second, the decline in real estate prices has increased the number of property purchase transactions carried out by foreign citizens compared to the previous two years, which has further contributed to the growth of transactions in Yerevan.

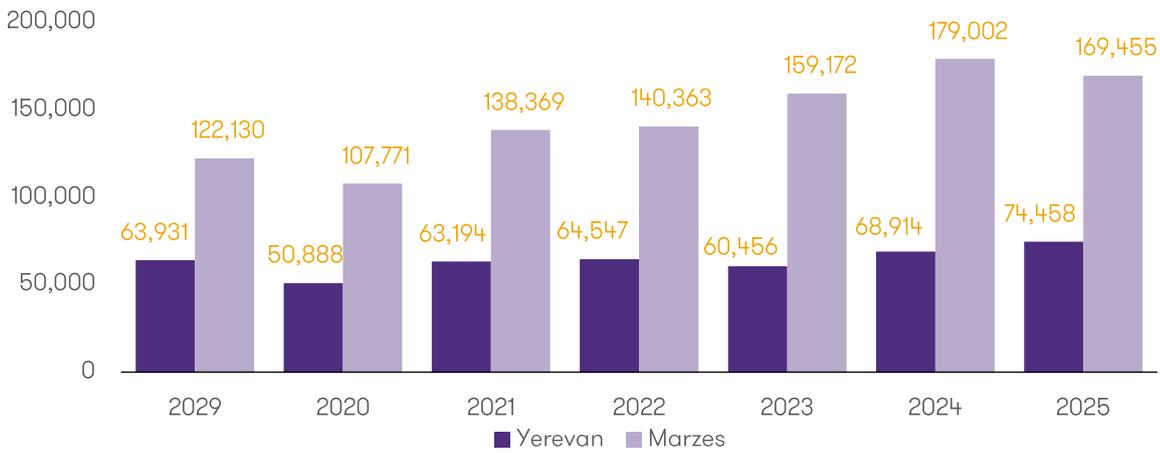
Total real estate transactions in Armenia, 2019-2025



Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

In 2025, a total of 169,455 real estate transactions were recorded in the regions of the Republic of Armenia, while 74,458 transactions were carried out in the city of Yerevan. It is noteworthy that the highest level of transaction activity in 2025 was recorded in December, accounting for 10.09%.

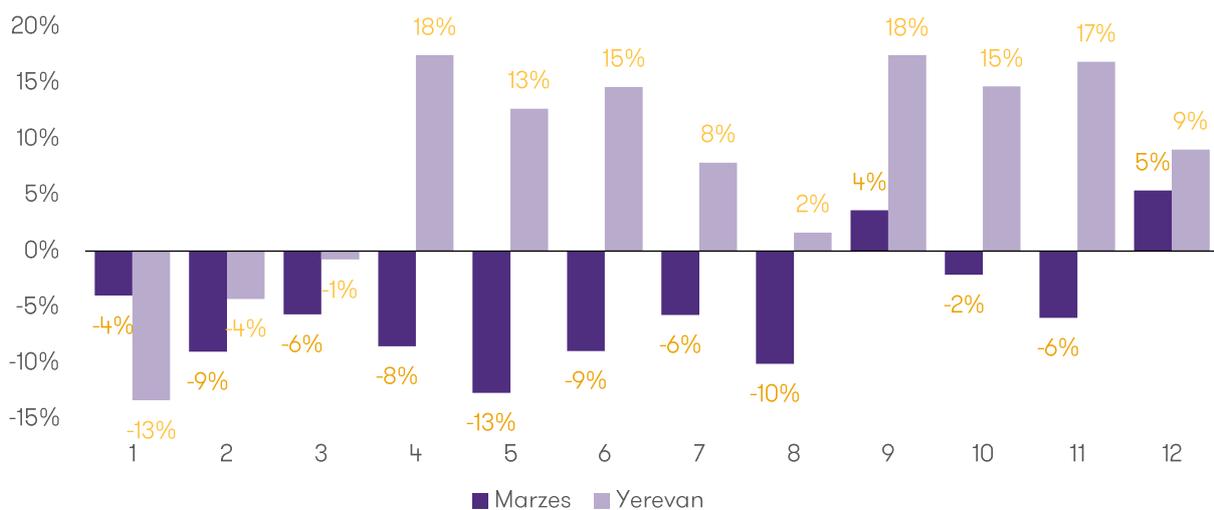
Total real estate transactions in Yerevan and marzes, 2019-2025



Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

In the regions, during 2025 — except for September and December — the number of transactions was lower than in 2024, whereas in Yerevan it was higher, except for the first quarter of 2025. In 2025, compared to 2024, the largest increase in the number of transactions in Yerevan was recorded in April and September.

Total Real Estate Transactions in Armenia, 2025



Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market



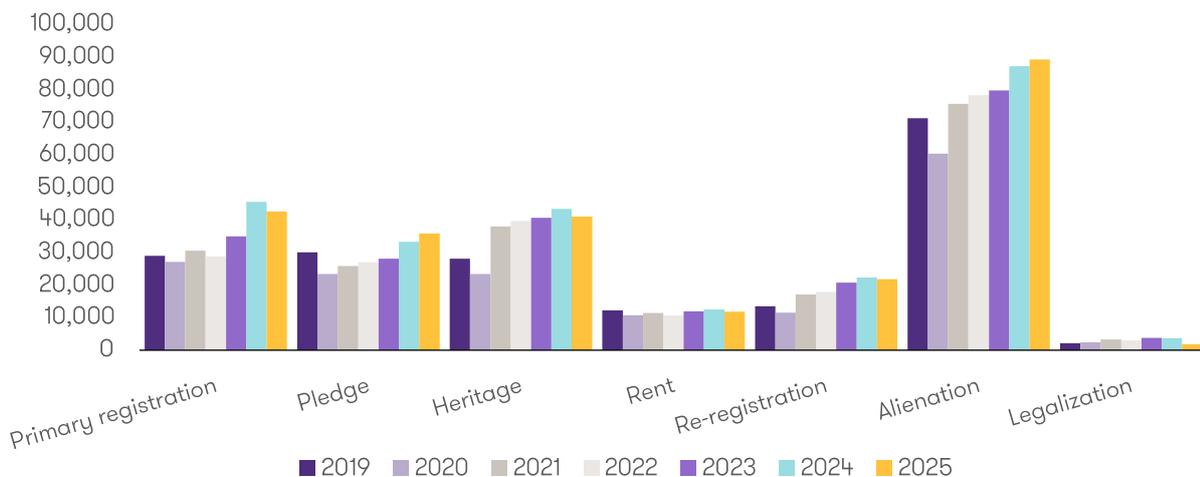
Transaction type analysis

Of the total 243,913 real estate transactions recorded in the Republic of Armenia in 2025, 36.56% were alienation transactions, representing the largest share within the overall transaction portfolio. Primary registration transactions ranked second with a 17.46% share, followed by heritage transactions, which accounted for 16.79% of total activity.

As previously noted, a general decline in transaction volume was observed in 2025 compared to 2024. Nearly all categories of transactions, except for pledge and alienation transactions, experienced a decrease in quantitative terms relative to the previous year.

The substantial growth recorded in 2024 was largely driven by expectations regarding the suspension of the income tax refund program in several administrative districts of Yerevan, which stimulated a temporary surge in transaction activity.

Real Estate Transaction types in Armenia, 2019-2025



Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

Analysis of real estate sale and purchase transactions in Yerevan and the regions

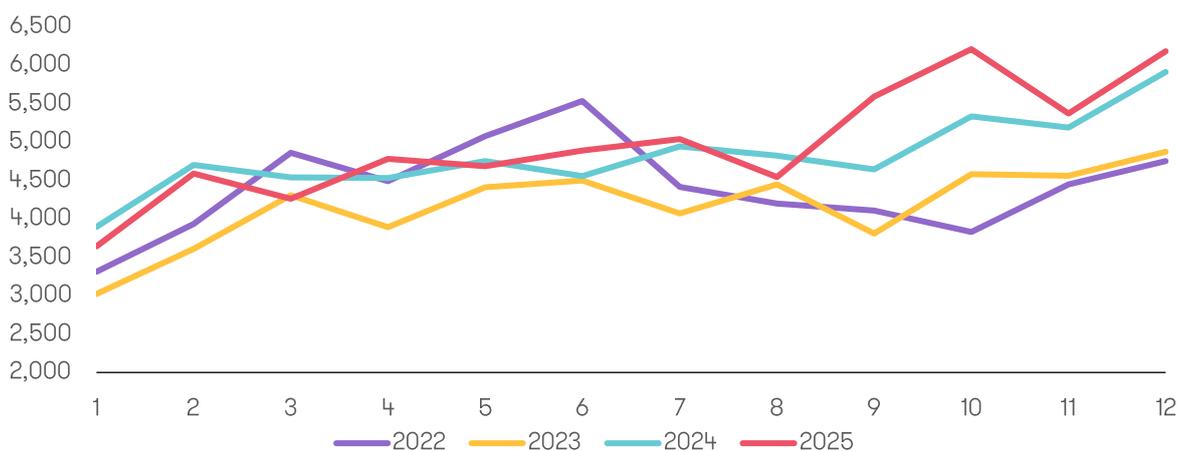


In 2025, purchase and sale transactions accounted for 67% of all alienation transactions. During the reporting year, a total of 59,748 purchase and sale transactions were recorded, representing a 3.38% increase compared to 2024.

The overall increase in sale and purchase transactions was driven by the growth in such transactions in Yerevan, which rose by 26.41% compared to the previous year, while in the regions similar transactions decreased by 6.92% year-on-year.

However, the growth rate slowed relative to the previous year, as anticipated. In 2024, purchase and sale transactions had increased by 15.46%, a surge that was largely driven by market expectations and anticipatory behavior related to policy changes.

Total purchase and sale transactions in Armenia, 2022-2025



Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

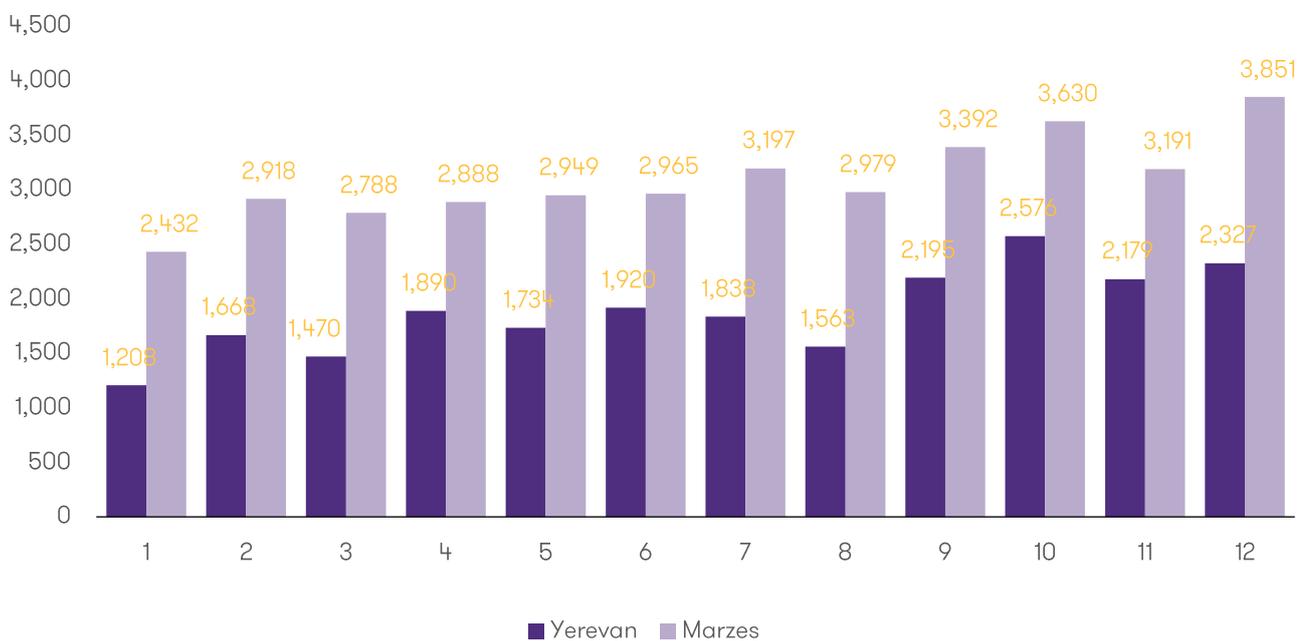


The highest month-to-month increase in real estate purchase and sale transactions in 2025 occurred in February, rising by 25.99% compared to January. The highest number of transactions in Armenia was recorded in October reaching 6,206 deals.

Within the Republic of Armenia, Yerevan continues to maintain a leading position in terms of purchase and sale transactions. This trend can be attributed to the capital's economic development, sustained investment inflows, and the ongoing internal migration from the regions to Yerevan.

Among the regions, Kotayk, Ararat, and Armavir recorded comparatively higher transaction volumes relative to other regions.

Sale and Purchase transactions in Armenia, 2025

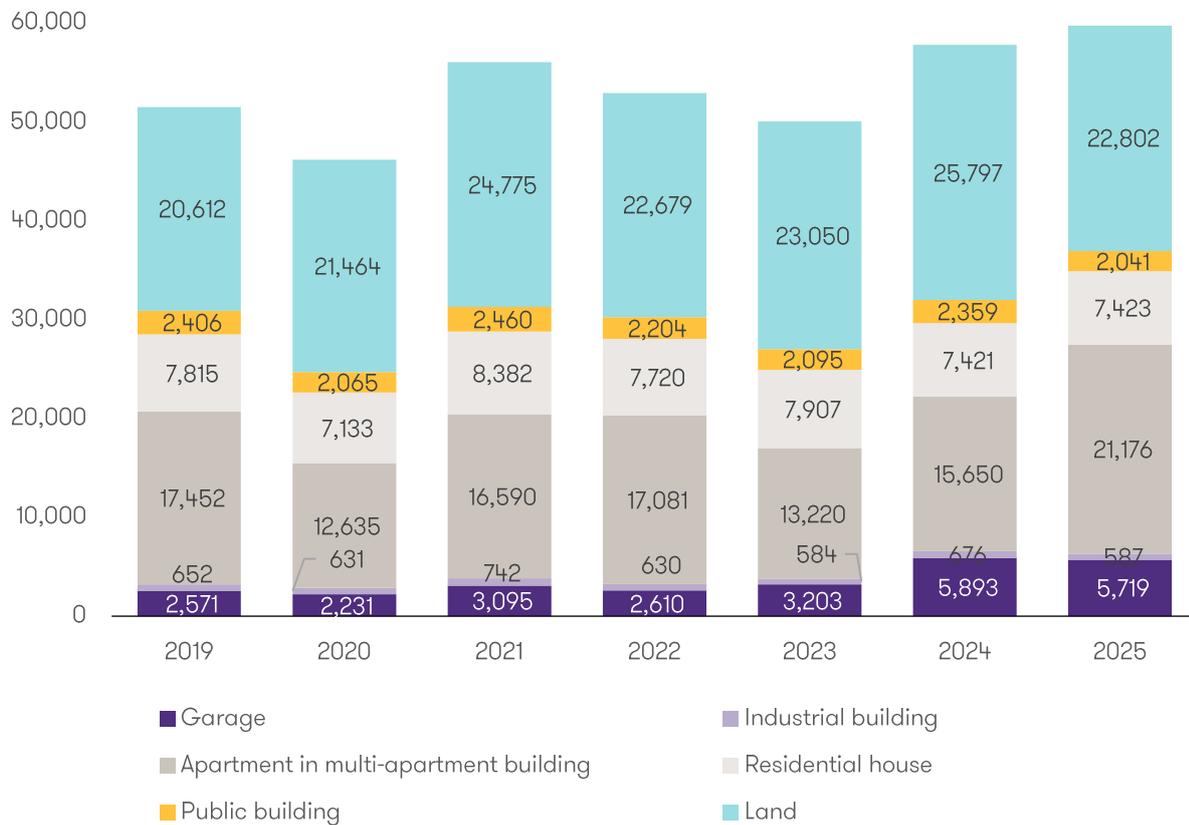


Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

Analysis of trends in sales transactions by property type

The increase in the volume of sale and purchase transactions recorded in 2025 was entirely driven by transactions involving apartments in multi-apartment residential buildings, whereas for other types of property, sale and purchase transactions either declined or remained nearly unchanged.

Purchase and sale transaction by property types in Armenia, 2019-2025



Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

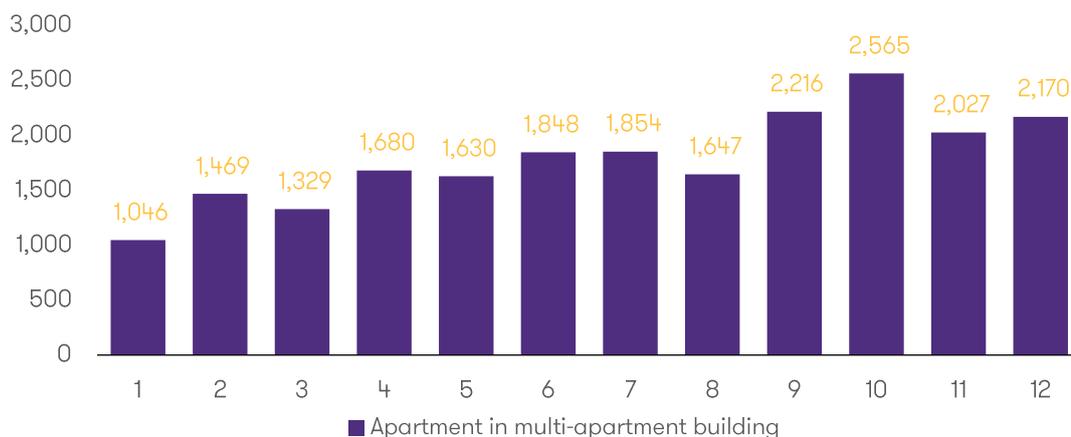
A decline has also been recorded in the land market, directly driven by a reduction in transactions involving residential land. At the same time, among the observed property categories, land transactions accounted for the largest share of activity—22,802 transactions, representing 38.16% of all real estate transactions.

Compared to 2024, the land sale market contracted by 11.61%. In 2025, the volume of land purchase and sales did not even exceed the level recorded after the COVID-19 period in 2021, when 24,775 transactions were registered.

In 2025, the decline in transactions of residential land was mainly due to the completion of the income tax refund program, which had artificially boosted demand in 2024 and led to a natural cooling in 2025. At the same time, the market had been so saturated by the 2022–2024 activity that the Central Bank was already forecasting a decrease in demand and a potential oversupply from the ongoing construction boom in 2025.

In 2025, purchase and sale transactions of apartments in multi-unit residential buildings increased significantly – 34%.

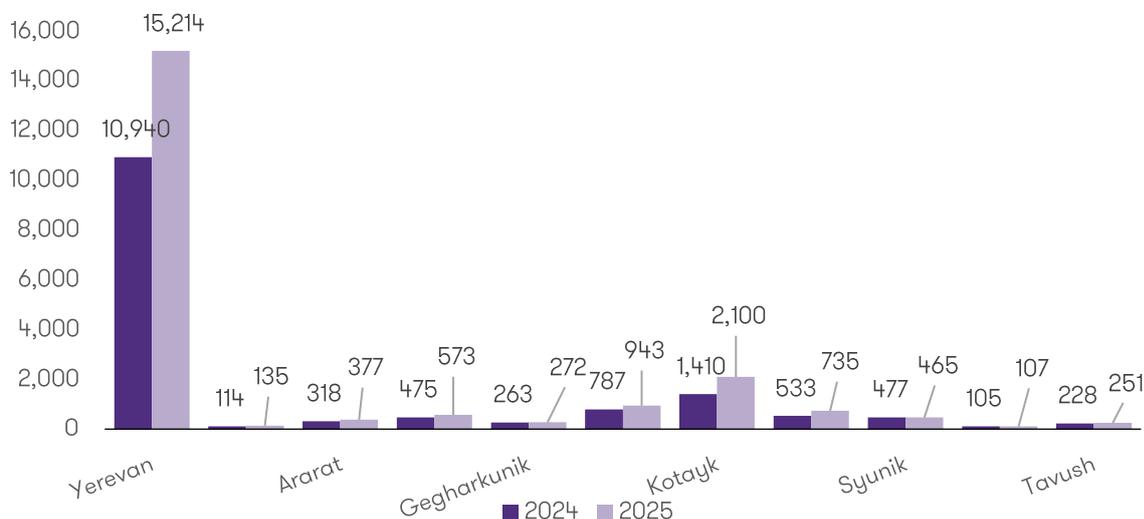
Change in the Volume of total transactions in multi-apartment building Market Transactions in Armenia, 2025



Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

In 2025, compared to 2024, the highest growth in apartment sale and purchase transactions was recorded in Kotayk at 48.94%, in Yerevan at 39.07%, and in Shirak at 37.9%, while in Syunik transactions decreased by 2.52%.

Change in the volume of purchase and sale transactions in the market of apartment buildings in Yerevan and marzes, 2025



Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

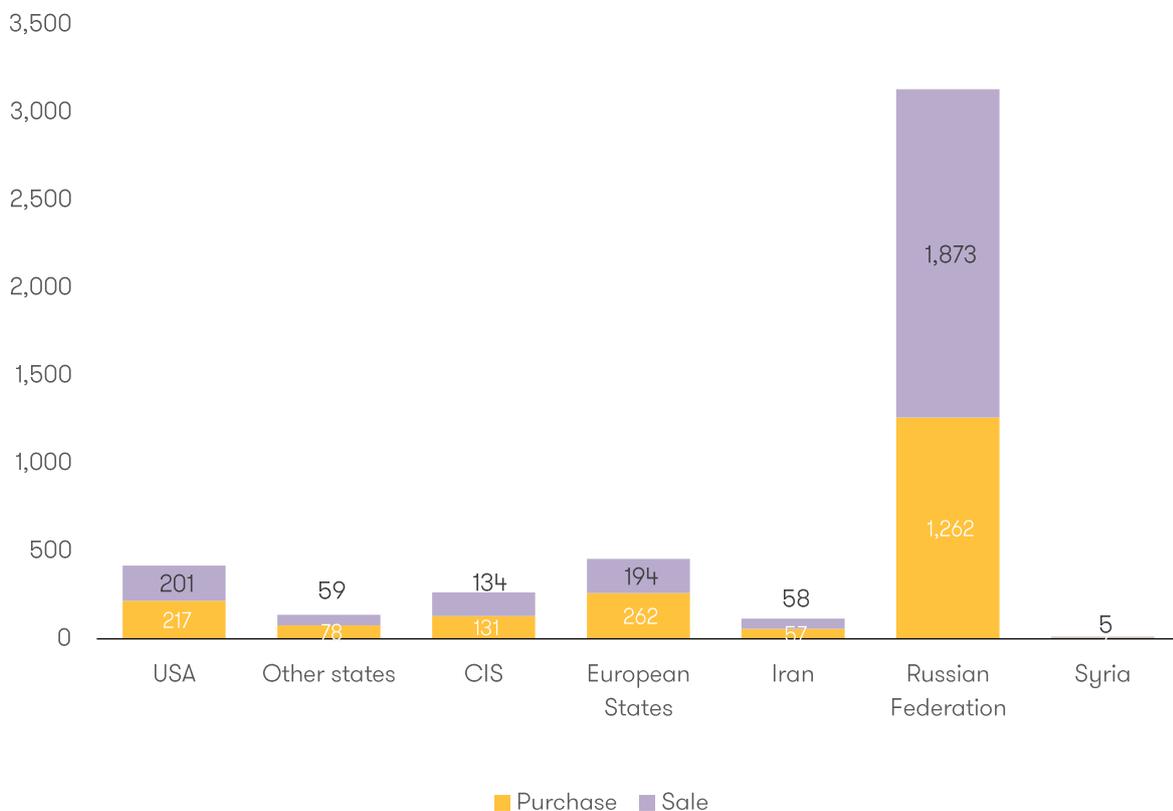
With regard to real estate transactions conducted by foreign citizens in Armenia, these increased by 12.38% compared to 2024. Following the repeal of the personal income tax refund program in January 2025, Armenian citizens accelerated apartment purchases in 2024 in order to benefit from the incentive. As a result, demand from Armenian buyers declined in 2025, leading to an oversupply in the market and a subsequent decrease in apartment prices in Yerevan. This price adjustment created attractive opportunities for foreign citizens.

In particular, Russian citizens acquired 33.12% more apartments in Armenia compared to 2024. Purchases by U.S. citizens increased by 13.61%, by citizens of CIS countries by 77.03%, and by European citizens by 15.93%.

In contrast, Iranian citizens demonstrated a different trend. Their purchasing activity was relatively restrained, while their property sales increased by 18.37% compared to 2024, a development largely attributable to the political situation in their home country.

During 2023–2025, the highest number of real estate purchase transactions in Armenia by foreign nationals was recorded in 2025, totaling 2,014 transactions. Overall, in 2025 compared to 2024, real estate purchase transactions by foreigners increased by 26.99%, while sale transactions increased by 2.94%.

Transaction activity by non-resident nationals, 2025



Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

Market prices and dynamics

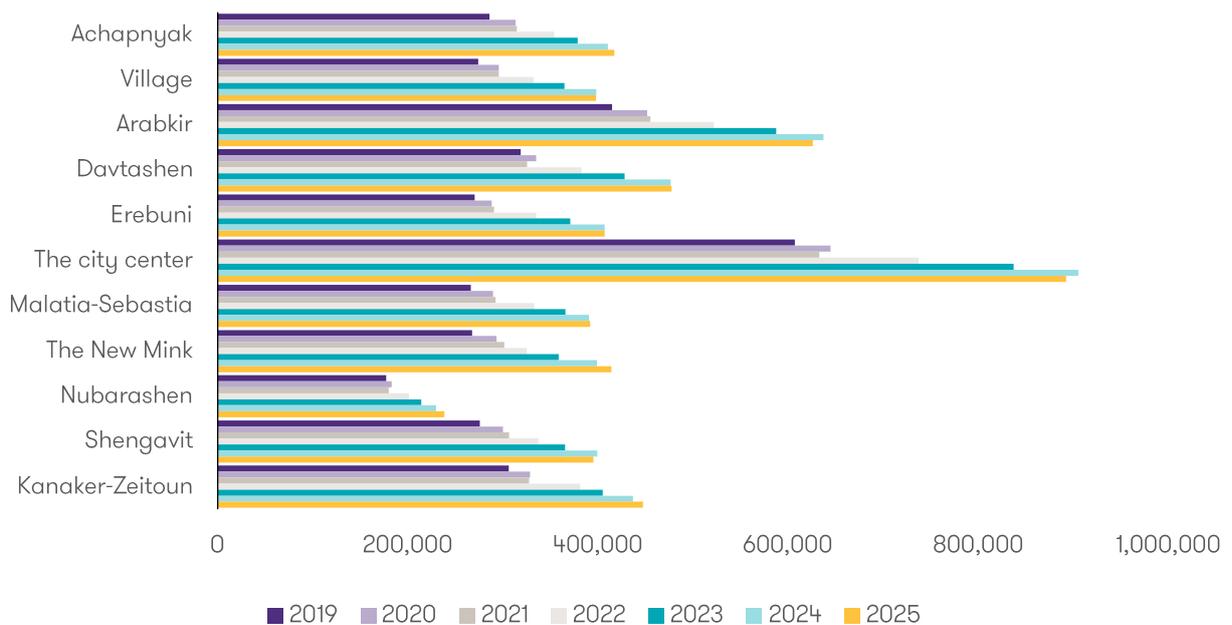


The real estate market underwent a significant trend shift in 2025 compared to the 2022–2024 period. While property values per square meter experienced consistent growth through 2024, the appreciation rate began to decelerate late that year.

By 2025, several administrative districts in Yerevan, specifically Kentron, Arabkir, and Shengavit, witnessed a price contraction. Year-over-year, prices per square meter decreased by 1.4% in Kentron, 1.75% in Arabkir, and 0.98% in Shengavit.

In other districts, growth stalled significantly, averaging a marginal 0.7%.

Price volatility per square meter across Yerevan’s administrative districts, 2019 - 2025



Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

Conversely, no price depreciations were recorded across the marzes in 2025. In the Syunik, Armavir, and Tavush regions, the market exhibited an opposing trend, with the rate of price appreciation accelerating compared to 2024. Meanwhile, the Lori province continues to offer the most competitive and affordable real estate pricing in the country.

Price volatility per square meter across Yerevan and Regions, 2024-2025

	1	2	3	4	5	6	7	8	9	10	11	12
Yerevan	2%	1%	1%	1%	0%	0%	0%	-1%	-1%	-1%	0%	0%
Aragatsotn	12%	15%	15%	15%	15%	17%	18%	19%	20%	16%	15%	15%
Ararat	11%	11%	10%	10%	10%	11%	13%	14%	17%	15%	15%	18%
Armavir	14%	17%	17%	20%	21%	22%	23%	24%	27%	21%	22%	23%
Gegharkunik	14%	15%	16%	15%	15%	16%	18%	17%	17%	18%	18%	19%
Lori	7%	8%	9%	11%	14%	15%	14%	15%	19%	14%	16%	14%
Kotayk	12%	13%	13%	14%	15%	17%	19%	19%	19%	18%	19%	20%
Shirak	11%	12%	13%	14%	19%	20%	21%	20%	18%	13%	13%	14%
Syunik	14%	15%	14%	16%	17%	18%	20%	20%	18%	19%	19%	20%
Vayots Dzor	13%	12%	12%	15%	16%	16%	17%	16%	15%	15%	14%	12%
Tavush	13%	15%	15%	16%	18%	19%	20%	20%	20%	22%	22%	21%

Source: Statistical Committee of the Republic of Armenia. Socio-Economic Situation of the Republic of Armenia Real Estate Market

Summary

Overall, 2025 became a turning point year of decline in the real estate market, which had maintained stable and high growth rates for about five years. This change was mainly due to the suspension, starting in January 2025, of the income tax rebate program in Yerevan's administrative districts. This policy change led to an increase in demand at the end of 2024, followed by a decrease in 2025.

Paradoxically, these market conditions have enhanced Armenia's appeal for foreign citizens, presenting a more attractive entry point for capital. Activity in the purchase and sale of housing in Armenia, particularly transactions carried out by foreign buyers, is driven by both geopolitical and economic factors. In recent years, Armenia has become a relatively safe destination for citizens of politically unstable neighboring countries, while the country's growing economic activity has further stimulated an increase in overall real estate transactions by foreign citizens.

Moreover, although the growth recorded in 2024 was initially viewed as temporary rather than a long-term stable trend, the market adjustment is expected to have a lasting impact.

In 2026 the real estate market in Armenia will maintain relative activity, driven by the continued application of the income tax rebate program in the regions and the projected 5–5.9% economic growth. The anticipated suspension of the program from 2027 may trigger a temporary increase in activity in the regional new residential property market in the second half of 2026.

