



## CASE STUDY

# REAL ESTATE ASSET TOKENIZATION





## Introduction

Real-estate tokenization converts ownership rights in a property into digital tokens on a blockchain, where each token represents a fraction of the underlying asset. Traditionally, large commercial properties are highly illiquid—each sale demands significant capital, lengthy due diligence, and expensive middlemen fees. By tokenizing, you unlock “liquidity” as fractional ownership can trade 24/7 on secondary venues, making property stakes nearly as liquid as shares or bonds.

## Market Forecasts

- \$30.1 trillion by 2030 projected by Standard Chartered, reflecting broad institutional adoption.
- \$2 trillion by 2030 in tokenized real-world assets under a conservative Deloitte scenario—underscoring rapid growth despite regulatory hurdles.

## Challenges & Opportunities

### Challenges

- Regulatory fragmentation: Securities laws and property-registration rules vary by jurisdiction, complicating cross-border token transfers.
- Emerging secondary markets: While peer-to-peer trading is possible, regulated venues (Alternative Trading System (ATS), compliant Decentralized Exchanges (DEXs) are still maturing.

### Opportunities

- Global access: Breaks high-value assets into small tokens, inviting both retail and institutional investors globally
- Automated workflows: Smart contracts enforce compliance (KYC/AML, transfer restrictions) and streamline distributions (rent, dividends) without manual intervention





## Step-by-Step Tokenization Lifecycle

Let us follow a five-phase lifecycle for a commercial building tokenization.

### Phase 1: Deal Structuring

#### Create an SPV (Special-Purpose Vehicle)

**Create a single-asset company holding the property—separates liabilities and simplifies disclosures**

#### Valuation & Governance

**Obtain an independent appraisal and set governance rules (voting rights, lock-ups) for token-holders.**

#### Legal Framework

**Structure the offering under applicable exemptions (e.g., private placements) to streamline compliance.**

### Phase 2: Digitization

#### Choose A Platform

**Onboard with a blockchain infrastructure provider that offers compliant tokenization process and KYC/AML.**

#### Configure Smart Contracts

**Define token rules—transfers, dividend distribution, and redemption—all coded into secure & transparent blockchain contracts.**



## Phase 3: Primary Distribution

### Investor Onboarding

Conduct KYC/AML checks via the platform's portal, whitelisting approved investors automatically.

### Token Issuance

Open the subscription window, collect funds, and mint tokens directly into investors' wallets upon settlement.

### Real-Time Cap Table

Platform dashboards update ownership records instantly, eliminating manual ledger updates.

## Phase 4: Post-Tokenization Management

### Automated Distributions

Schedule rent or dividend payouts through smart-contracts—no spreadsheets or manual process.

### Ongoing Reporting

Provide investors with on-chain dashboards showing token balances, transaction history, and performance metrics.



## Phase 5: Secondary Trading

Enable liquidity

List tokens on regulated Alternative Trading System (ATS) or compliant Decentralized Exchanges (DEXs) where permissible, allowing peer-to-peer trades among qualified investors.

Governance Enforcement

Smart contracts verify buyer eligibility and enforce transfer restrictions automatically at trade time.





## Goals Achieved

### Unlock Liquidity

Fractional tokens can trade 24/7, turning illiquid property into a liquid digital asset.

### Access new investors

Attract global retail and institutional participants previously excluded by high ticket sizes

### Faster time-to-close

Complete issuance in weeks versus months traditionally.

### Lower costs

Reduce legal and intermediary fees significantly through automation and fewer intermediaries.

### Transparent governance

Secure on-chain records build investor trust and reduce disputes.

### Repeatable framework

Leverage the same SPV, templates, and platform setup for all future projects—accelerating every raise.





# Glossary

## ***Tokenization***

Converting real-world asset ownership into blockchain-native digital tokens.

## ***SPV (Special-Purpose Vehicle)***

A dedicated legal entity that holds title and issues tokens against that underlying asset.

## ***Smart Contract***

Self-executing code on blockchain that automates compliance, transfers and distributions.

## ***KYC/AML***

Know-Your-Customer / Anti-Money-Laundering checks to verify investor identities and accreditation status.

## ***ATS (Alternative Trading System)***

A regulated platform for secondary trading of security tokens under applicable securities laws.

## ***ERC-3643***

A permissioned token standard designed specifically for compliant security tokens, supporting on-chain identity and transfer rules.





ADMANTIUM.CO  
[contact@admantium.co](mailto:contact@admantium.co)

