## **Property tokenisation**

Say a property developer wants to raise A\$500,000 to build a residential project in Perth. It decides to raise the cash via FundPlaces' blockchain platform. An investor is interested to invest but does not have a lot of capital. He is drawn by the potential to own just a fraction of different properties through buying real estate-backed cryptocurrencies called 'Tiles' on FundPlaces.



- 1 User signs up to be a Member of FundPlaces. He buys SGD tokens from a Special Purpose Vehicle (SPV) using SGD
- 2 Member selects a project and transfers SGD tokens to the Escrow Wallet
- **3** If the deal successfully closes, tokens are transferred from the Escrow Wallet to the SPV. In return, the SPV issues Tiles to the Member



- 5 At the end of the investment period, the SPV will make an offer to buy back the Tiles from the Members and return them the initial capital plus the targeted return. Members can use these tokens to invest in other projects or convert them back to flat currency
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- 4 The SPV transfers the SGD tokens to the property developer, converting it back to fiat currency that the property developer can readily use

\*If the deal does not manage to raise enough funds, the SGD tokens are returned to the Members.