

## **Singapore-based Fintech platform Fraxtor obtains in-principle approval by MAS to operate its real estate tokenisation platform.**

- **Fraxtor has obtained in-principle approval by MAS for its Capital Markets Services License to Deal in Capital Market Products**
- **Fraxtor's platform uses ERC-1404 Security Token Standard to issue real estate Security Tokens on the Public Ethereum Network**
- **Fraxtor had been operating since June 2019 under exemptions by MAS regulations and has raised more than \$30million on its platform for various real estate deals**

**Singapore, 10 August 2021 - Fraxtor Private Limited** ("[Fraxtor](#)"), an online real estate platform, has obtained in-principle approval for its Capital Markets Services (CMS) License by the Monetary Authority of Singapore (MAS). The CMS License, once issued, will enable Fraxtor to issue Security Tokens including debentures and collective investment schemes that comprise capital market products. These are not covered under the current dealing exemptions. In addition to its local pipeline, Fraxtor has plans to partner property fund managers from Europe and Australia to offer Real Estate security tokens to Accredited Investors and Institutional Investors.

In recent months, Fraxtor has gained publicity for its involvement in a landed [property deal at 21 Mount Rosie](#). Through Fraxtor's platform, investors were able to participate in the \$43.8 million deal which paved the way for the development of the 30,660 sq ft site into 7 luxurious homes at the top of the prized Goldhill Estate. The deal received overwhelming response from Fraxtor's users and was fully allocated within 90 minutes from launch.

In the past two years, Fraxtor has worked with various fund managers to offer overseas development deals such as Purpose Built Student Accommodations in the United Kingdom and Long Term Care Homes in Canada. "Our platform allows investors to gain exposure to these unique real estate deals not commonly accessible, from as low as \$20,000. This significantly lowers the entry barriers for investors to access such funds which typically require minimum investment commitments of \$500,000 to \$1,000,000 from investors." says Oliver Siah, Co-Founder of Fraxtor.

Fraxtor's [maiden project](#) in 2019 had enabled investors to participate in the development of a pair of semi-detached houses in the Adelphi Estate along Upper Thomson Road. Despite delays due to the pandemic, both houses have since been sold and investors' returns are expected to hit pre-pandemic targets.

“We have built the Fraxtor platform to make it easier for investors to access property deals by developers and professional fund managers. The platform streamlines the onboarding and subscription process, making investing in real estate hassle free.” says Rachel Teo, Co-Founder of Fraxtor.

The Fraxtor platform uses Smart Contracts to create security tokens on the Ethereum Network. The value for such tokens are not affected by the fluctuations in the cryptocurrency markets but perform based on the underlying real estate investment. The tokens can represent units of debentures, bonds or collective investment schemes.

“The ERC-1404 Security Token Standard is the most common Tokenisation standard and it allows our Tokens to be compatible with regulated Digital Asset exchanges. This is an avenue of liquidity for a traditionally illiquid asset.” says Marcelo Garcia Casil, Fraxtor’s Chief Technology Officer.

### **Focus on Real Estate Investments**

Fraxtor’s investment platform focuses on real estate investments. Leveraging on the collective experience and business network of its founders and listing committee, Fraxtor is in the position to source and curate quality real estate opportunities for its community of co-investors. By partnering established fund managers and developers with expertise in niche asset classes or geographical focus, Fraxtor expands investors’ access to private equity real estate investments with low a capital outlay.

### **Use of Blockchain Technology**

Fraxtor’s use case of the Blockchain in real estate is a subset in the digital asset ecosystem. Although it uses Blockchain technology, it differs greatly from cryptocurrencies. The blockchain technology is used to issue real estate interest on a distributed ledger, also known as tokenization. Fraxtor endeavours to automate processes between investors and offerors, increase liquidity, lower capital requirements for investments, improve transparency, and ultimately lead to real-estate democratization. This will, in turn, reduce expenses for real estate issuers and expand the universe of potential investors. Blockchain will also have a profound impact on real estate for asset management, investment, operations, and management companies.

FOR RELEASE ON 10th AUGUST 2021

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