

THE VOICE OF REAL ESTATE









Nations of Sky.





ISSUE FEATURING YOUR GUIDE TO PUBLIC INVESTMENT: A COMPREHENSIVE REVIEW OF CITIZEN INVESTMENT PLAN (FY 2020/21 - 2024/25) 2025





NEW CHAPTER



SHINING LIGHTS



ROYAL

We marked our first success and overcame the challenges



We created, innovated, and evolved



AND THE STORY CONTINUES... THIS TIME BEYOND BORDERS.



DCUD AND NATIONS OF SKY PIONEERING THE EAST COAST OF EGYPT

DCUD (Delta Capital for Urban Development) has redefined the real estate map in Egypt by focusing on the Delta regionan area long underserved compared to Greater Cairo and the North Coast. Guided by a bold vision and a leadership team with deep expertise, **DCUD** has transformed ambitious ideas into thriving destinations that combine innovation, quality, and sustainable growth.

ISLA: The Jewel of the Eastern Coast

At the heart of **DCUD**'s portfolio lies **ISLA**, the company's most ambitious project to date. Located in New Mansoura City the "Capital of the Eastern Coast"-ISLA introduces a new benchmark in coastal development. Master planned by Yasser El Beltagy Architects (YBA), the project draws inspiration from its Spanish name "ISLA," meaning island, and is uniquely designed as five interconnected islands surrounded by lagoons and water

Spanning 334 feddans, with only 15% allocated for built-up areas and 85% dedicated to green spaces and lagoons, ISLA offers fully finished residential units, ranging from sea-view apartments to U-shaped beachfront villas.

A Strategic Partnership with Nations of Sky

The creation of ISLA would not have been possible without the strategic alliance between DCUD and Nations of Sky. This collaboration goes beyond the conventional developerlandowner model; it is a partnership built on complementary strengths and a shared long-term vision.



Nations of Sky contributed a prime seafront land plot directly on the Mediterranean, with a secure legal and administrative framework. Meanwhile, **DCUD** brought to the table its proven expertise in design, execution, marketing, and timely deliverybacked by a strong track record of successful projects in the Delta region.

This balance of roles created a partnership based on clearly defined responsibilities and mutual trust. It is precisely this clarity that has enabled **ISLA** to gain rapid momentum, with sales exceeding **EGP 9 billion in just 72 hours**. Today, we are proud to announce that the entire first phase is sold out-paving the way toward a projected EGP 120 billion in total sales.

ISLA: A New Coastal Benchmark for Egypt's **Eastern Shore**

One of the most striking competitive advantages of **ISLA** is its prime location in New Mansoura City. Positioned directly on the Mediterranean, the project boasts an exclusive beachfront stretching 1,050 meters, a rare privilege unmatched by any other development in the city. ISLA delivers a new dimension of lifestyle experiences. Floating restaurants immerse residents in a maritime atmosphere, while a floating padel court—a first-ofits-kind in the region-combines sport with the beauty of natural surroundings. Families can also enjoy a full-scale Aqua Park, designed with attractions for all ages, ensuring that **ISLA** caters to every member of the household. The project is anchored by the largest shopping mall in the region, featuring global fashion brands, gourmet dining, and cafés. This makes ISLA not only a residential destination but also a magnet for retail and entertainment.

A Spectacular Launch

The unveiling of ISLA was nothing short of extraordinaryan event that set new standards not only for the Delta, but for Egypt's real estate industry as a whole. With world-class design and flawless execution, the launch reflected the project's premium identity. The night was elevated by unforgettable performances from Nancy Ajram and Tamer Ashour, turning the event into a true cultural highlight.







Milestones in Development: Marina Delta, Marina Delta Lagoons and blue beach

Other than **ISLA**, **DCUD** has already proven its capabilities through Marina Delta and Marina Delta Lagoons-two fully delivered projects where residents are already enjoying integrated living and vibrant communities. Building on this track record, the company is currently developing **Blue Beach** near New Mansoura City, a 35-feddan project with more than 2,000 units now under construction.

DCUD is now focused on an ambitious pipeline of upcoming projects that extend its vision beyond the Delta. Locally, the company is preparing a 32-feddan development in West Cairo's Dahshour extension near Nile University, chosen for its strategic location within a rapidly growing urban hub and its strong investment potential. In parallel, plans are advancing for a landmark administrative and commercial complex in the Eastern Extension, which will be designed in collaboration with world-class consultants to become a flagship destination for business and retail.

Having already established itself as a pioneer in the Delta with successful projects that redefined coastal living, **DCUD** is now set to replicate this success in Cairo and, ultimately, across Egyptproving once again its ability to shape not just communities, but entire markets.

Tax Registration Number: 498-955-508

EDITOR'S LETTER

The real estate sector has always been a cornerstone of wealth creation, a tangible, secure, and often conservative investment. But today, we stand at the edge of a digital transformation that could reshape the very foundations of property ownership and investment.

In this issue, we explore one of the most debated innovations in the global property market: real estate tokens and blockchain technology. Are they the next great leap toward democratizing property ownership, making investment more transparent and accessible? Or are they simply the latest buzzwords Which promising much, yet delivering little beyond speculation?

Through in-depth features and data-driven analysis, we examine the potential of tokenization to fractionalize real estate assets, improve liquidity, and attract a new wave of investors. At the same time, we confront the challenges: regulatory hurdles, market skepticism, and questions around scalability and security.

Whether you are a developer, investor, policymaker, or simply curious about the future of property investment, this edition aims to equip you with the insights needed to navigate this emerging intersection of real estate and technology.

As the conversation shifts from hype to practical application, one thing is clear: the real estate industry can no longer afford to ignore blockchain. The question is not just whether tokenization will disrupt the market but how prepared we are to embrace, regulate, and leverage this disruption.



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THE REAL ESTATE TOKENIZATION MARKET PROMISING GROWTH ON THE EDGE OF RISK



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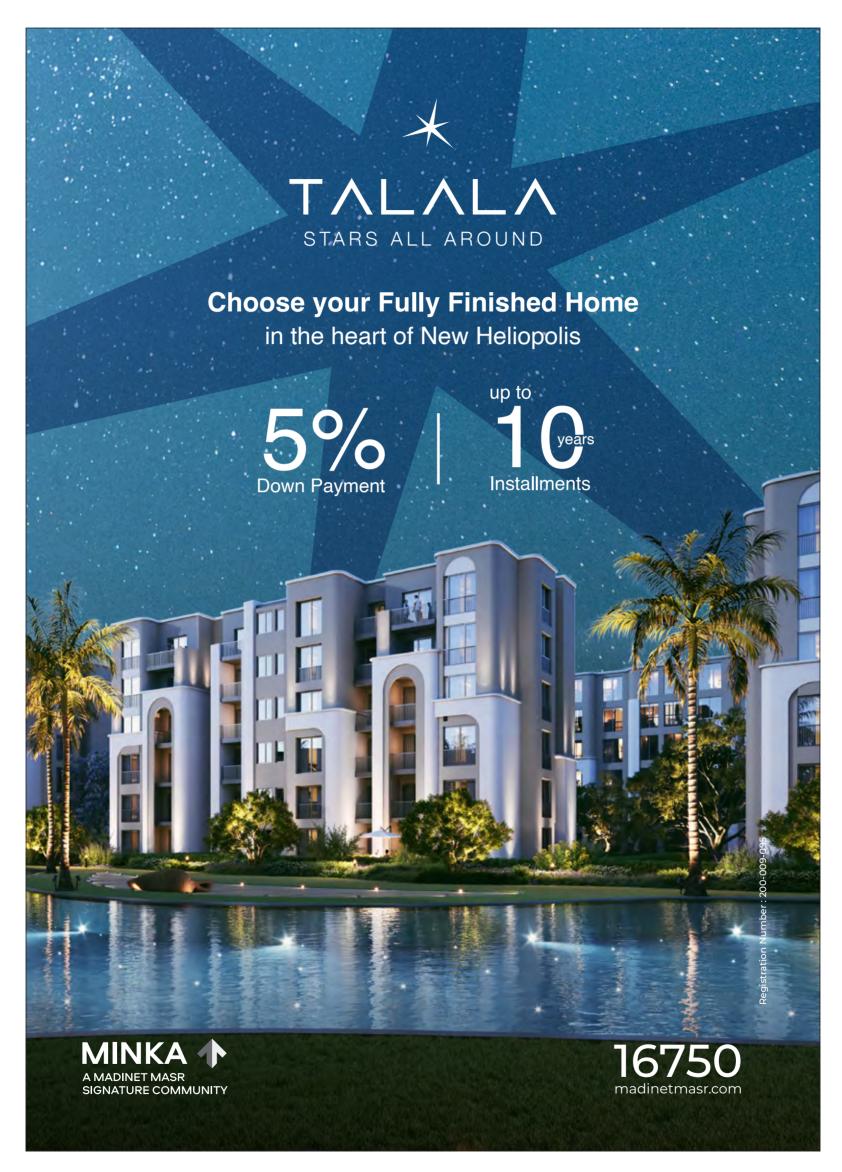




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LAVERDE

WHERE ELEGANCE MEETS EVERYDAY LIVING







TRANSFORMING VISION INTO REALITY IN EGYPT'S NEW CAPITAL

Over the past two years, La verde has transitioned from ambitious blueprints to tangible achievements, delivering high-quality communities that embody sustainability, innovation, and customer-centric living.

During Invest-Gate's meeting with La verde, which highlighted its remarkable journey of turning ambitious plans in the New Capital into tangible achievements, La verde continues to set new benchmarks in Egypt's real estate sector. it also emphasized its unique customer experience model, built on long-term trust and community building, while outlining its dual strategy of consolidating its presence locally and expanding internationally through real estate export and potential regional projects.

In 2023, Invest-Gate met with you to discuss La verde's plans in the New Capital. After more than two years, what have you accomplished from these plans?

Since our last meeting in 2023, La verde has moved from ambitious plans on paper to visible accomplishments on the ground. What started as concepts, masterplans, and architectural designs have now taken shape as thriving communities under construction and, in many cases, already reaching the handover stage. This transition is a defining milestone in our journey, as it demonstrates our ability to transform vision into reality in a relatively short time frame.

One of our most significant achievements is that we have begun delivering units to clients, marking a turning point not only for La verde but also for our homeowners who trusted our vision from the start. Handovers are more than a procedural step; they represent the fulfilment of our promise to customers and confirm that the developments we committed to are not only progressing but also materializing with the highest standards of quality.

In the process, we have adopted advanced construction methodologies and state-of-the-art project management systems, which have enabled us to ensure efficiency, reduce delays, and maintain rigorous attention to detail. This operational discipline has been fundamental in reinforcing the trust of our clients and investors

Equally important, we have focused on embedding our core values of sustainability, design excellence, and customer satisfaction into every stage of execution. We view construction not just as building physical structures but as laying the foundations of communities that reflect a balance of luxury, comfort, and environmental responsibility. The progress made over these two years is therefore not just measured by the number of units completed, but by the creation of living environments that embody our long-term vision.

Tell us about the construction progress of your projects in the New Capital, such as La verde Casette and La verde New Capital. Where do you stand now?

La verde Casette and La verde New Capital represent two of our flagship developments, both located in the heart of the New Capital. These projects are benchmarks for what we aim to achieve as a developer: high-quality construction, distinctive architecture, and fully integrated services that create vibrant communities.

As of today, construction works in both developments have surpassed 70% completion, which is considerably advanced compared to the average progress in similar projects across the market. This accelerated pace of development is the result of our proactive planning, disciplined execution, and commitment to mobilizing the best resources in terms of engineering teams, technology, and materials.

The achievement of these high percentages is also tied to our strategy of prioritizing infrastructure and essential services early in the development process. By focusing on roads, utilities, and communal facilities alongside the residential units, we ensure that the entire community begins to take shape cohesively. This not only reassures our clients but also establishes a sense of progress that is tangible from the outset

Looking ahead, the remaining phases of construction are progressing steadily, and we are confident in our ability to

continue delivering units according to our scheduled timelines. In fact, we expect to see an accelerated wave of handovers in the coming months as the projects reach their final stages. For La verde, these projects are not simply buildings under construction: they are flagship communities that represent our ambition to redefine modern living in Egypt's most ambitious urban destination.

La verde has distinguished itself by integrating solar energy and sustainability into its projects. What has been achieved so far in this regard?

From the very beginning, sustainability has been a guiding principle for La verde. We have always believed that true luxury must coexist with environmental responsibility, and our projects are designed with this philosophy in mind.

To translate this vision into reality, we adopted architectural concepts inspired by Mediterranean design. These principles are not just aesthetic but functional, as they maximize natural ventilation and use arcaded structures that provide shade, thereby reducing energy consumption in a simple yet effective way. Such passive design elements significantly lower the dependency on artificial cooling and lighting, which has a direct impact on energy efficiency.

On a technological level, La verde has successfully integrated solar energy systems across its developments. Today, nearly 25% of the total energy consumption within our projects is covered through clean, renewable sources. This figure is a major achievement within the Egyptian real estate sector, where renewable integration is still emerging, and it sets Laverde apart as a developer committed to progressive and responsible building practices.

Equally important is our approach to land use. In our projects, over 90% of the total area is dedicated to green landscapes, open spaces, and communal facilities, while only 10% is occupied by buildings. This planning philosophy not only enhances the environmental footprint of our developments but also ensures that our residents enjoy healthier, more balanced lifestyles. By combining advanced energy systems, ecofriendly design, and abundant greenery, we are delivering communities that are truly sustainable in every sense.

What makes the customer experience with La verde different from other developers?

At La verde, we see the customer experience as the cornerstone of our success. We believe that the relationship with our clients begins at handover. This mindset has driven us to design a customer journey that is both comprehensive and long-term.

We have invested heavily in after-sales services to ensure that our clients enjoy ongoing support well beyond the purchase stage. Our teams are dedicated to responding to client needs quickly and efficiently, ensuring that every aspect of their living experience meets the highest expectations. This commitment is not just about resolving issues; it is about proactively adding value to their investment and lifestyle.

To reinforce this relationship, we have also introduced loyalty programs that offer exclusive benefits to La verde homeowners. These programs are designed to reward trust and create a sense of community among our clients, while also building long-term connections that go beyond individual transactions.



Moreover, La verde developments are conceived as fully integrated communities rather than isolated projects. Residents are not simply buying property; they are investing in a way of life that combines luxury, privacy, and sustainability. This holistic approach is what differentiates La verde from other developers and makes our communities truly stand out in a competitive market.

La verde has actively participated in major international exhibitions such as Dubai, Riyadh, Jeddah, and Doha to promote its projects in Egypt. Do you have future plans to expand with actual projects abroad, or is your strategy focused on local presence with real estate export

La verde's strategy is centered around two complementary directions. The first is consolidating our position within the Egyptian market, particularly in the New Capital, which we view as the region's most transformative urban development project. Our focus here is to deliver landmark projects that reinforce Egypt's reputation as a hub for modern real estate investment

The second direction is our international outreach. Through real estate export, we are showcasing Egyptian developments on global platforms, creating awareness and attracting investors from across the region. Our active participation in major exhibitions in Dubai, Jeddah, and Doha has already generated significant interest, and we plan to expand this presence with participation in four additional international exhibitions before the end of the year.

Beyond exhibitions, La verde is carefully studying opportunities for direct international expansion. We are evaluating promising regional markets where we believe our brand's combination of luxury, sustainability, and customer-centricity could resonate strongly. Our ultimate goal is to transform La verde from a leading Egyptian developer into a recognized regional brand with a footprint that extends beyond national borders.



THE VOICE OF REAL ESTATE

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ACKNOWLEDGING CONTRIBUTION AND EXCELLENCE AWARDS

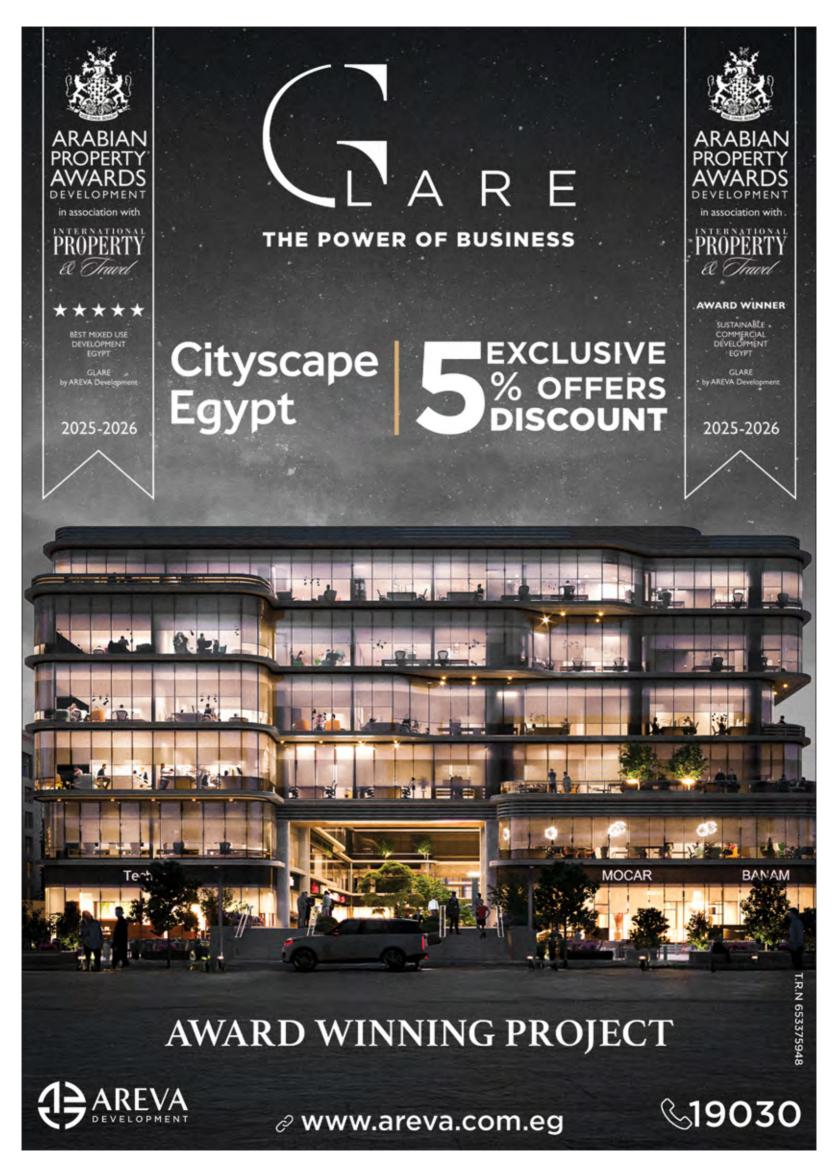
DECEMBER 2025



EARLY BIRD APPLICATION DEADLINE **SEPTEMBER 30, 2025**

STANDARD APPLICATION DEADLINE **OCTOBER 1 - NOVEMBER 10, 2025**

AWARDS ENTRY SUBMISSION DEADLINE **NOVEMBER 10, 2025**









ONE PLACE. EGYPT'S TOP DEVELOPERS.

23-25 OCT

JW MARRIOTT RAFAL TOWER, RIYADH

TODAY'S DECISION, TOMORROW'S PRIME!







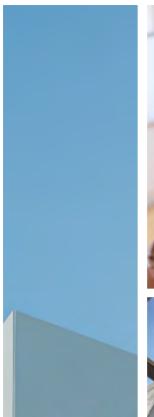
YOUR GUIDE TO

PUBLIC INVESTMENT

A COMPREHENSIVE REVIEW OF CITIZEN INVESTMENT PLAN (FY 2020/21-2024/25)

SEPTEMBER 2025











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CONCLUSION

ABOUT INVESTIGATE

RESEARCH & ANALYSIS

Invest-Gate is Egypt's leading provider of real estate market insights, keeping investors, customers, and stakeholders informed on the latest trends in the sector.

we have proudly hosted around 25 roundtable discussions, bringing together top executives, developers, and policymakers to exchange ideas and shape the future of the sector. We have also published 41 in-depth analytical reports, backed by credible data and detailed market insights, offering a deeper understanding of challenges and opportunities.

We are on a mission to empower our readers with the latest trends and unbiased information through our website, magazine, so our efforts include the release of 87 editions of the Invest-Gate magazine, each issue covering a wide array of topics that reflect the pulse of the real estate landscape. Additionally, we have issued 56 editions of our Market Watch, a specialized brief that shows key figures, trends, and strategic insights shaping the sector today, as well as our extensive and impactful social media presence

For inquiries, email info@invest-gate.me.

ABOUT THIS REPORT

Egypt has strategically directed public investments across its diverse economic and geographic landscape to stimulate growth, reduce regional disparities, and improve infrastructure and social services nationwide. The Citizen Investments Plan, prepared and published annually by the Ministry of Planning and Economic Development for each governorate, provides detailed information on these investments, including sectoral allocations, project numbers, and total investments, by highlighting how resources are distributed among the housing sector, local development, transportation, education, health, and utilities.

The Citizen Investments Plan also strengthens transparency, accountability, and citizen participation by enabling the public to track key projects and monitor economic and social indicators. Our analysis relies on these official plans covering the period from 2020/21 to 2024/25 and focusing on housing and local development investments, in addition to presenting detailed governorate-level data for FY 2024/25.

To provide a precise view of investment distribution, Egypt's governorates are grouped into 7 regions, which allows a detailed examination of investment patterns. The region will be:

- 1. Greater Cairo Region: Cairo, Giza, and Qalyubia.
- 2. Alexandria Region: Alexandria, Beheira, and Matruh.
- 3. Delta Region: Dakahlia, Gharbia, Kafr El-Sheikh, Monufia, and Damietta.
- 4. Suez Canal Region: Ismailia, Port Said, Suez, Sharqia, North Sinai, and South Sinai.
- 5. North Upper Egypt: Beni Suef, Faiyum, and Minya.
- 6. Central Upper Egypt: Assiut and New Valley
- 7. South Upper Egypt: Aswan, Luxor, Qena, Sohag, and Red Sea.

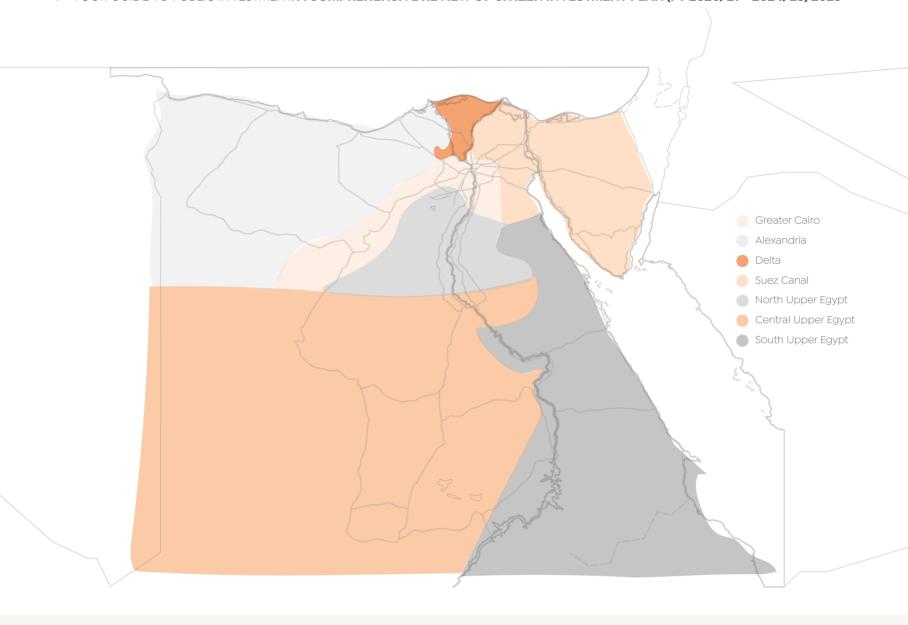


THE LANDSCAPE **OF PUBLIC INVESTMENT IN EGYPT**



This section provides an overview of Egypt's total public investment landscape between FY 2020/21 and FY 2024/25, highlighting both the scale of annual public investments and their distribution across regions. Understanding the trajectory of overall investments is crucial, as it reflects government priorities in driving economic growth, enhancing infrastructure, and addressing regional disparities.

The analysis looks at changes in total investments and number of projects over time, while also examining how funds and projects are distributed among the Greater Cairo, Alexandria, Delta, Suez Canal, and Upper Egypt regions. This lens allows us to identify which areas consistently attract the largest shares of funding and which are targeted for growth, providing insights into national development strategies and emerging opportunities for future investment.



TOTAL ANNUAL INVESTMENT



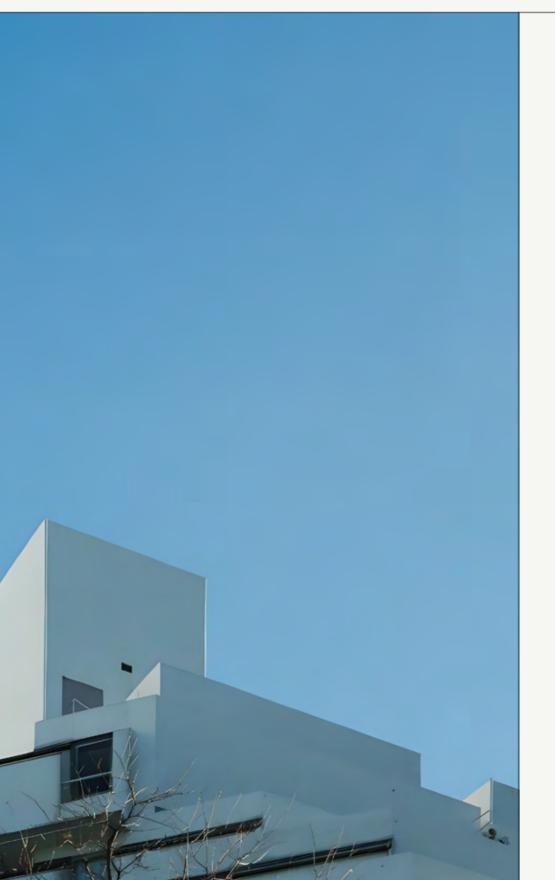
DISTRIBUTION OF ANNUAL INVESTMENT BY REGIONS (EGP BN)







HOUSING INVESTMENT IN EGYPT



Housing investment stands at the heart of Egypt's development strategy, as it directly addresses the country's pressing demand for urban expansion, affordable housing, and improved living standards. This section examines how public investments have been channeled into the housing sector over the past five years, reflecting the government's commitment to both meeting population needs and driving real estate as a growth engine. The importance of housing investment extends beyond construction, as it links to social equity, job creation, and the enhancement of infrastructure in rapidly growing urban centers.

Our analysis considers public investments alongside regional patterns, comparing governorates and regions to highlight where resources have been concentrated and how priorities have shifted across time. Through this lens, the section provides a clear view of trends shaping Egypt's housing landscape and the policy choices behind them.

ANNUAL HOUSING INVESTMENT



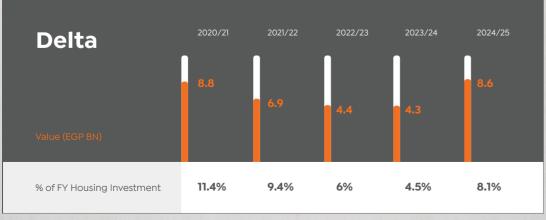
HOUSING INVESTMENT BREAKDOWN BY REGIONS

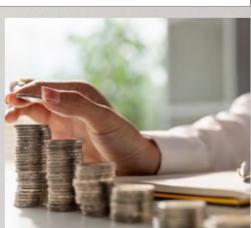




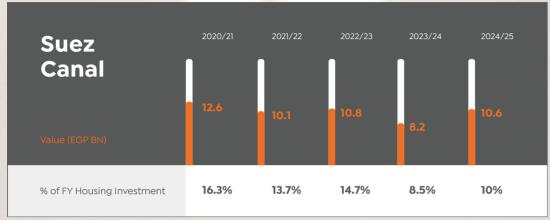






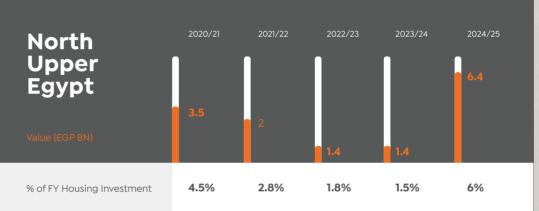


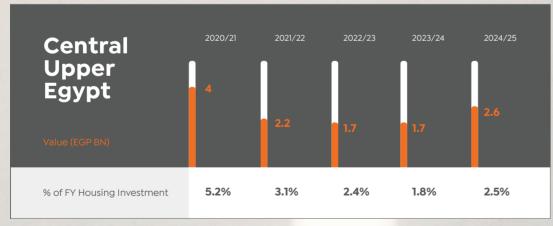
HOUSING INVESTMENT BREAKDOWN BY REGIONS





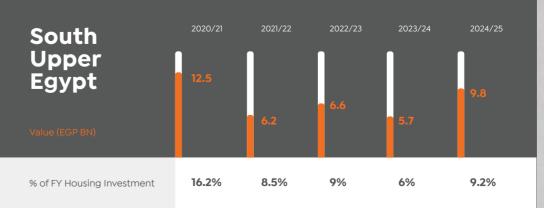












03

LOCAL DEVELOPMENT INVESTMENT IN EGYPT



Local development investment represents the foundation of balanced growth across Egypt and complements the housing efforts, as it focuses on projects that directly impact citizens' daily lives, such as road paving, sectoral infrastructure, and bridge renovations, thereby supporting the broader goal of urban modernization and enhancing public services across all governorates. This section explores how these investments have evolved over the past five years, highlighting the role of such investments in reducing regional disparities and strengthening the quality of life in both urban and rural areas.

The importance of local development lies in its ability to bring tangible improvements at the governorate level, supporting national goals of inclusive growth while creating new opportunities for local economies. Our analysis adopts a regional lens, comparing public investments of local development across Greater Cairo, Alexandria, the Delta, the Suez Canal, and Upper Egypt, to capture how resources have been distributed and where strategic priorities have shifted over time.

ANNUAL LOCAL DEVELOMENT INVESTMENTS

2020/21

18.3

Value (EGP BN)

% of Total FY Investment

7.2%

2021/22

19.8

Value (EGP BN)

5.6%

% of Total FY Investment

2022/23

26.1

Value (EGP BN)

6.3%

% of Total FY Investment

2023/24

33.5

Value (EGP BN)



8.1%

% of Total FY Investment

2024/25



% of Total FY

Investment

Value (EGP BN)



LOCAL DEVELOMENT INVESTMENT BREAKDOWN BY REGIONS

GREATER CAIRO Fiscal Year 2020/21 2021/22 2022/23 2023/24 2024/25 Value (EGP BN) 11.6 **8.7** 5.1 3.9 3.7 % of FY Local Develoment Investment 21.4% 18.7% 19.7% 34.7% 25.8% **DELTA** Fiscal Year 2020/21 2021/22 2022/23 2023/24 2024/25 Value (EGP BN) 5.9 3.6 2.9 3.3 % of FY Local Develoment Investment 12.5% 10.8% 17.4% 14.8% 12.8% NORTH UPPER EGYPT

Fiscal Year 2020/21	2021/22	2022/23	2023/24	2024/25
Value (EGP B	N) 2.1	2.3	3.3	4.2
0/ - 6 = 1/1	ıl Develomen			

2020/21 2021/22 2022/23 2023/24	2024/25
	2024/25
Fiscal Year	

% of FY Local Develoment Investment 24.2% 19.8% 28% 21% 16.8%



DOWNLOAD THE FULL REPORT

Value (EGP	BN)	5.3	4.1	2.6
Fiscal Year 2020/21	2021/22	2022/23	2023/24	2024/25
SUEZ CA	ANAL			
15%	11.1%	11.5%	8.1%	9.2%
2.7 % of FY Loc	2.2 cal Develomer	3 at Investment	2.7	3.1
Value (EGP	· BN)			
Fiscal Year 2020/21	2021/22	2022/23	2023/24	2024/25
ALEXAN	IDRIA			

CENTRA	L UPPER E	GYPT		
Fiscal Year 2020/21	2021/22	2022/23	2023/24	2024/25
Value (EGP	BN)	1.5	2.4	2.6
% of FY Loc	cal Develomen	t Investment 5.8%		

20.3%

12.4%

7.7%

% of FY Local Develoment Investment 10.3%

11.9%



SOUTH UPPER EGYPT









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AT CAPITAL PROMENADE, SHEIKH ZAYED CITY





































































رقم التسجيل الضريبي: ٨٠٠-٩٩-٥٥٢



TOKENIZATION 101:

BREAKING DOWN REAL ESTATE TOKENIZATION — HOW DOES IT **ACTUALLY WORK?**

BY ABDALLAH GAMAL

n recent years, the intersection of blockchain technology and the real estate industry has become a subject of increasing interest. While many see the idea of real estate tokenization as a speculative trend, others believe it could mark a revolutionary shift in how we buy, sell, and invest in property. In this explainer, we unpack what real estate tokenization really means, how it works, and why it could reshape the property market globally.

What Is Real Estate Tokenization?

Real estate tokenization is the process of converting the value of a physical property into digital tokens on a blockchain. These tokens represent shares or fractional ownership in the asset, allowing investors to buy and trade real estate like they would stocks or cryptocurrencies.

In essence, instead of owning an entire apartment or commercial building, you could own a portion of it - say, 1% - through a token stored securely on a blockchain. The blockchain acts as a decentralized digital ledger that records transactions and ensures transparency, traceability, and security.

Why Tokenize Real Estate?

The traditional real estate market is often viewed as illiquid, expensive, and heavily reliant on intermediaries like brokers, lawyers, and banks. Tokenization addresses several of these challenges:

- 1. Accessibility: It allows smaller investors to enter the real estate market without needing vast capital.
- 2. Liquidity: Tokenized assets can be traded more easily, improving liquidity in the market.
- 3. **Efficiency:** Transactions can be automated via smart contracts, reducing administrative costs and delays.
- 4. Transparency and Security: Blockchain technology provides a transparent and immutable record of ownership and transfers.

In the same context, The Deloitte Center for Financial Services Deloitte highlights that this technology has the potential to generate trillions of dollars in economic activity within the real estate sector over the coming decade. This growth will be driven in part by the expansion of the investor base and diversification of product offerings. It also forecasts that the value of tokenized real estate will rise from under US\$0.3 trillion in 2024 to US\$4 trillion by 2035, representing a compound annual growth rate (CAGR) of 27%.

How Does It Work?

Let's break the process into simple steps:

- 1. Asset Selection and Structuring: A property is identified for tokenization. The legal structure is critical - often the property is placed into a legal entity like an LLC, and the tokens represent shares in this entity.
- 2. Valuation and Compliance: The property is professionally valued. Legal compliance with securities regulations is ensured, as tokens may be considered securities in many jurisdictions.
- 3. Token Issuance: A fixed number of digital tokens is created to represent ownership of the property. For example, a \$10 million building might be divided into 10 million tokens worth \$1 each.
- 4. Listing on a Platform: These tokens are listed on a blockchainbased marketplace or platform where investors can buy, sell, or trade them.
- 5. Ownership and Dividends: Token holders may be entitled to a share of rental income or profits, distributed automatically via smart contracts.

Real-Life Examples

There are several companies and platforms that have already implemented real estate tokenization, for example:

- RealT (USA): Allows investors to buy tokenized shares of rental properties in Detroit and other U.S. cities. Investors earn daily rental income in cryptocurrency.
- Brickblock (Germany): Offers a platform for tokenizing commercial real estate and connecting asset managers with investors globally.
- Propine (Singapore): A licensed platform that facilitates the tokenization of real estate and ensures compliance with regulatory standards.

Benefits to Stakeholders

The adoption of real estate tokenization is transforming the investment landscape by offering distinct advantages to a variety of stakeholders involved in the market. From developers and investors to regulators. tokenization leverages blockchain technology to create a more efficient, transparent, and accessible environment.

For developers, tokenization opens up new avenues for raising capital by granting them access to a global pool of investors. This expanded reach allows developers to accelerate the sales process, as they no longer need to rely solely on traditional institutional investors or local buyers. By tapping into retail investor markets worldwide, developers can sell properties more quickly and at potentially better valuations, enabling faster project turnover and enhanced liquidity for their assets.

Investors stand to gain significantly from the technology as well. One of the primary benefits is the reduction of entry barriers, as investors can participate in real estate markets with relatively small amounts of capital, which was previously a major hurdle. Furthermore, tokenization provides investors the opportunity to diversify their portfolios by including global real estate assets, spreading risk more effectively. Enhanced liquidity is another key advantage, as tokenized assets can be traded more easily compared to conventional real estate holdings, offering investors faster exit options and greater flexibility in managing their investments.

Regulators also benefit from the introduction of blockchain-based tokenization in the real estate sector. The inherent transparency of blockchain ledgers facilitates more efficient monitoring and compliance, making it easier to uphold market integrity and protect participants. Additionally, the use of smart contracts can automate and enforce investor protections. such as ensuring compliance with legal and regulatory frameworks, which ultimately fosters greater trust and stability within the marketplace.

Key Challenges and Limitations

Despite its promise, real estate tokenization also encounters significant challenges that hinder its widespread adoption. A key obstacle is regulatory uncertainty, as laws governing tokenized assets differ across countries and are still evolving. Without specific regulations tailored to tokenized real estate, institutional participation and investor confidence remain limited.

In addition to regulatory concerns, many traditional institutional investors are hesitant to fully embrace blockchain-based real estate models due to the technology's novelty and lingering doubts about legal protections, tax issues, and technological risks.

Although blockchain offers transparency and immutability, risks like smart contract bugs, hacks, and wallet theft undermine investor trust. Valuation challenges also persist because real estate lacks real-time pricing, reducing token liquidity and confidence. Experts, including the World Economic Forum, warn that wider adoption requires clearer legal frameworks, stronger investor protections, and extensive education.

Conclusion

Real estate tokenization sits at the intersection of technology, finance, and property. By breaking down the traditional barriers to entry and enabling fractional ownership, it holds the potential to open the market to a wider pool of investors, increase liquidity, and streamline property transactions globally.

However, realizing this vision will require collaboration among developers, regulators, investors, and technology providers. As with any innovation, careful implementation, legal clarity, and user education are essential for this digital revolution to gain real traction.



THE REAL ESTATE TOKENIZATION MARKET:

PROMISING GROWTH ON THE EDGE OF RISK

BY **HEBA GAMAL**

mid the accelerating wave of digital transformation, real estate tokenization has emerged as one of the most promising trends in the global property investment landscape. The concept rests on converting ownership of properties-or fractions thereof-into digital tokens built on blockchain technology. This mechanism facilitates easier trading and opens the door for a wider spectrum of investors, including small-scale participants, to acquire stakes in large-scale assets such as skyscrapers or residential complexes.

While the idea appears simple on paper and carries the promise of revolutionizing ownership and trading practices, reality reveals a more complex mix of vast opportunities and significant challenges.

From Digital Promise to Real-World Challenges

According to a report by Custom Market Insights, the real estate tokenization market reached an estimated value of \$3.5 billion in 2024, with projections suggesting it could soar to nearly \$19.4 billion by 2033, at a compound annual growth rate (CAGR) of around 21%. This remarkable expansion reflects the rapid shift toward asset digitization, driven by blockchain's advantages of greater transparency, higher efficiency in transactions, and innovative investment opportunities that transcend traditional geographical boundaries.

These signals suggest that, in the coming years, tokenization could transition from limited pilot projects to becoming a central pillar in the global real estate investment industry.

Yet, behind the optimism lies a set of fundamental challenges that may hinder growth, chief among them: the absence of unified international regulatory frameworks, fragmented legal environments across markets, cybersecurity risks, and the threat of fraud. Investor awareness and willingness to embrace this technology will remain decisive factors in shaping its future trajectory.

The market's success will ultimately depend on the ability of stakeholders to design solutions that enhance trust, reduce risks, and transform the promises of tokenization into tangible realities.

The Digital Wild West: The Risks of Real Estate **Tokenization**

In this article, Invest-Gate offers an in-depth analytical reading of the most pressing risks and challenges facing real estate tokenization—a digital trend that promises to reshape ownership and trading of property assets. The key question is: Are we standing at the threshold of a historic opportunity to redefine the global real estate market and unlock more inclusive investment avenues? Or are we racing headlong into a digital wilderness governed by incomplete laws and gray areas that could turn this dream into a high-risk venture?

Despite the growing momentum, the tokenized real estate sector still faces a host of challenges that may limit its growth and profitability in the future. The most notable include:

1. Lack of Regulatory Clarity

The fluid legal environment and stringent compliance requirements are among the greatest obstacles. Ambiguities surrounding securities laws, taxation frameworks, and investor protection mechanisms discourage both individuals and institutions from entering the space.

Real estate tokenization requires wide-ranging legal reforms-not only in property law, but also in central banking regulations, electronic transactions legislation, and technology-related statutes. This raises a key challenge: can existing legal frameworks adapt quickly enough to accommodate flexible and evolving legislation in step with technological innovation?

2. Security Risks

Cybersecurity remains a major concern, even for large real estate investors. The proliferation of unlicensed platforms, reliance on pseudonymous actors, and lack of proper oversight amplify the risks of cyberattacks, fraud, and disputes over digital asset ownership. Such risks could result in heavy financial losses, reputational damage, and complex legal repercussions.

3. Market Volatility

As with traditional real estate, tokenized assets are affected by supply and demand dynamics and broader economic cycles. Fluctuations in property values, rental income, and occupancy rates can undermine investment returns and increase risk exposure.

4. Limited Investor Awareness

Many investors still lack sufficient knowledge of how tokenized assets work, their mechanisms, benefits, and risks. This gap in financial and technological literacy may slow down adoption.

5. Legal Disputes

Ownership rights, compliance issues, and unclear ownership structures can all lead to legal disputes, damaging investor confidence and obstructing the launch of new projects.

6. Absence of Mature Secondary Markets

Tokenized assets generally rely on secondary markets for liquidity and profitability. However, in Egypt and across the region, the absence of robust secondary markets limits returns to initial offerings or early-mover advantage for developers. This may change only when significant demand emerges for the resale of tokenized shares.

7. Market Fragmentation

The sector is highly fragmented, with multiple platforms and protocols competing without unified standards. This hampers interoperability, weakens liquidity, and undermines scalability.

8. Integration with Traditional Real Estate Infrastructure

For rental-based properties, management and maintenance pose ongoing challenges. Questions remain over whether tokenization can deliver tangible added value compared with traditional models once all costs and fees are factored in. Success will depend not just on theoretical returns, but also on delivering practical and economic advantages.

Opportunities for Application in Egypt

Real estate tokenization is no longer a futuristic concept-it has already made inroads in the region. The UAE and Saudi Arabia have launched pilot tokenized property projects that generated significant attention, albeit with limited scope and deliberate caution.

But can these experiences be replicated in Egypt with equal momentum?

The answer depends on three key factors:

- Government readiness to adopt the technology and establish flexible regulatory frameworks led by local real estate expertise.
- Economic returns compared with traditional investment models.
- Capacity to manage challenges that could destabilize the initiative during its early stages.
- Despite the obstacles, signs suggest that tokenization could become a cornerstone of the real estate investment ecosystem in the near future. It will not eliminate traditional methods, but it could capture a significant share of the market within the next five years.

Egypt thus faces two options:

- A carefully planned approach, grounded in feasibility studies and clear operational frameworks, which could foster growth and stability.
- A hasty leap, mimicking external models that have yet to prove their effectiveness locally-an approach that could have destabilizing consequences for the real estate market.

Conclusion

Egypt's adoption of digital technologies is not new, the government has already embedded digital transformation into its core strategies, achieving progress across ministries and agencies. Yet the real challenge lies in two areas: the real estate community's willingness to embrace tokenization, and the state's ability to institutionalize its regulatory and operational foundations.

The transition to real estate tokenization is not just a matter of law, it requires a prepared ecosystem that can absorb the shift and translate it into added value for the sector. Only then can it become a genuine driver of economic growth.

The pressing question now is: Can Egypt strike the balance between innovation and stability, building tokenization on solid ground? Or must the country first convince investors and property buyers that tokenized digital assets are not merely an experimental technology, but a real opportunity to expand the horizons of investment?







SHOWCASES NEW PHASE AT CITYSCAPE **EGYPT & "THIS IS EGYPT** - HAZI MISR - RIYADH"

A Vision Driven by Leadership

Menassat Developments continues to cement its position as one of Egypt's leading real estate players, guided by a forward-looking strategy led by its Board of Directors under the chairmanship of businessman Ahmed Amin Massoud. The company's vision prioritizes innovation, sustainability, and alignment with Egypt's 2030 national development agenda, positioning Egyptian real estate as a regional and global investment destination.

Executive Powerhouse Board

The company's strength lies in the collective expertise of its Board of Directors. Eng. Mohamed Al-Bostany, Board Member entrusted with executive management, plays a pivotal role in steering Menassat's projects with agility and precision. Alongside him, a distinguished team of board members-Eng. Sherif Selim, Eng. Adly El-Keaey, Eng. Mohamed Ghobashy, Eng. Yasser Abdallah, Eng. Sherif Shaalan, Eng. Mahmoud Amin Massoud & Eng. Karim Shaalan-bring decades of cumulative experience. Ensuring that every phase of development is supported by deep market insight and strategic oversight

Begonia Walk: The New Landmark

Among Menassat's latest milestones is **Begonia Walk** in New Cairo, a mixed-use development that spans over 25 acres, with more than 80% dedicated to lush greenery and water features. The project includes over 520 modern residences alongside premium commercial and administrative spaces, designed to combine investment value with a lifestyle of comfort and elegance. Begonia Walk is envisioned as a vibrant destination where business, leisure, and community come together, offering investors a unique opportunity to be part of a project that blends sustainability with long-term growth potential.

On-Ground Progress Across All Projects

Menassat's projects are witnessing accelerated construction progress. From the iconic Podia Tower, to Eclipse, Axle, and Valory, each development reflects Menassat's commitment to world-class standards.

Exclusive Cityscape & Saudi Showcase Offers

As part of Cityscape Egypt 2025 and "This is Egypt - Riyadh", Menassat is introducing exclusive promotional offers with discounts up to 40% on selected units. These competitive packages highlight the company's commitment to rewarding its clients with unparalleled investment opportunities that combine strong returns with premium lifestyle offerings.

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