

Use Case Library

Propy

Executive Summary written by GBBC

Anyone who has participated in a real estate transaction knows it is a time-consuming process, there is a seemingly never-ending stream of intermediaries and documents that need to be signed and notarized. This framework has not yet fully taken advantage of our digitized and connected world; with blockchain platforms it may be possible to digitize and streamline real estate transactions.

In early 2018, Propy, a real estate startup focused on blockchain technology solutions, launched a pilot project with multiple cities in Vermont. The pilot program began by linking a blockchain address to a title deed. After the title deeds were digitized, users were able to list their property or buy real estate on Propy's blockchain platform. These transactions were done using fiat currency; users can now use cryptocurrency to buy and sell real estate. Transactions can be accessed with an app or on Propy's website. The Propy platform allows for peer-to-peer transactions without the need for a trusted intermediary, saving time and money. The transactions conducted during the pilot program were duplicated on traditional registries in case of failure. In February 2019 the first real estate transaction conducted entirely on the blockchain was completed.

The Propy pilot program shows the massive potential of blockchain technology to revolutionize the real estate industry. While this is exciting, the prospect of digitizing millions of title deeds is daunting. It appears likely that innovative cities will have to lead the way in adopting blockchain-based registries. Continued demonstration of the functionality of the technology is crucial to its adoption.