

# Cryptocurrency and Real Estate

## NOT JUST A TREND



Cryptocurrency, and the blockchain technology behind it, is revolutionizing the way the world transacts and invests. While the tech may still be in its infancy, it’s hard to find a sector that has not been affected by the crypto coup, and real estate is no exception. Many high-value and luxury commodities were previously untouched by digital exchanges. Purchases on these levels usually require in-person meetings, handshake deals, and physical contacts to be signed. The evolution of blockchain and digital transactions, stimulated by an increasingly virtual world, has opened the doors to larger, entirely digital business deals. In recent months, Sotheby’s Auction House has been making waves by offering virtual auctions for some of their artwork. Taking advantage of NFTs (Non-Fungible Tokens), which are based on blockchain technology, Sotheby’s has transformed the landscape of how art can be purchased. Their Alien CryptoPunk NFT sold for \$11.8 million in June of 2021. The prevalence of crypto in the real estate market has already been picking up steam for years. However, more recently, we’ve had the first glimpses of what it could mean for the luxury sector- in June, a Miami penthouse sold for \$22.5M in a transaction using digital currency.

Here in Los Angeles, Alison MacCracken of Sotheby’s International Realty and her team have been anticipating the shift into the digital age. MacCracken sees it as a means of connecting with a younger generation of buyers, albeit still a niche client-base, “From a marketing perspective, it makes our listing ‘exclusive,’ ‘hip’ and hopefully attracts the attention of the new millionaires and billionaires that made their fortunes betting on crypto.” With its rapid growth in implementation, the question of whether cryptocurrency adoption will reach its critical mass is less a matter of *if* and more a matter of *when*. In the meantime, the real estate agents that are able to look down the road ahead may have a leg up on the competition. MacCracken continued, “In the luxury market, I find some sellers are open to unique ways of diversifying their investments, so exchanging real estate for crypto currency is another way to do that... Accepting crypto currency gives the buyer another financing option.”



Fellow Sotheby’s International Realty agent, Michael Bell, also has a listing which is available for purchase using cryptocurrency. “Those who are already trading in crypto feel they will be regarded as pioneers when it finally goes mainstream. These so-called pioneers are enthusiastic and comfortable with this medium and are actually more excited than cautious.” While the risk of instability in cryptocurrencies, such as Bitcoin, may be preventing an immediate worldwide adoption, there is no doubt that we will be seeing more and more of a shift toward digital transactions, blockchain, and cryptocurrency.



## Purchase these exclusive properties using crypto today.



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BEVERLY HILLS | \$17,999,000  
Alison MacCracken  
310.600.8590



**5209HarterLane.com**  
LA CANADA FLINTRIDGE | \$3,333,333  
Michael Bell  
626.354.8505

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