

Advanced R&D White Paper



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Introduction

The global investment in commercial real estate in 2021 reached a record annual total of USD 1.3 trillion¹, representing a 55% increase from 2020 and a 21% increase from 2019. This remarkable growth in investment demonstrates the real estate sector's potential as an attractive form of investment, largely due to its usability.

These opportunities are, however, associated with phenomena typical for real estate: low liquidity, high entry costs, etc. This issue is often not addressed even by indirect investment options such as funds, crowdfunding, etc.

In this document, we will introduce an upcoming Advanced R&D project that utilizes tokenization and blockchain technologies to democratize access to real estate properties and simplify their management. The document is structured into several thematic units.

The first part of the document will explore the key properties and benefits of real estate as an asset class, as well as its accessibility to ordinary people. We will also examine the available options for indirect investments in real estate through funds and other investment vehicles.

The second part of the document will delve into the possibilities of tokenization and how it can streamline the acquisition and management of real estate within the Advanced R&D system. We will provide an overview of tokenization and its advantages over traditional real estate investments. We will introduce the key components of Advanced R&D such as Marketplace and P2P.

The document will also include several appendices, such as the Road Map, tokenomics, and frequently asked questions, to provide additional information on the project.

¹ available online:

<https://www.cbre.com/insights/briefs/2021-global-investment-volume-hits-record-level>

Real Estate

The development and growth of the real estate industry is undeniably linked to the history of humanity. The Neolithic Revolution brought about a complete transformation in the way of life at that time. People transitioned from hunters and gatherers to farmers with ties to specific locations. With the shift to agriculture and pastoralism, there was also a progressive increase in population. For the first time, humans gained control over their subsistence and ceased to rely on the whims of hunted game.

The move away from a nomadic lifestyle and the establishment of permanent dwellings allowed for the emergence of personal property. Material differences among people have been documented for over 6,000 years. Among the historically most significant human assets is the ownership of homes and land.

This reality has not changed much over the last several thousand years. Physical space is not unlimited, and its supply is finite. The demand for quality real estate has always been on the rise, and as the global population increases, it becomes increasingly challenging to meet that demand.

Moreover, real estate holds an exceptional position in the market. Commodities like gold, money, and stocks derive their value from societal perception. In contrast, essential items like food and clothing offer limited possibilities for value preservation over time. Real estate provides a genuine, long-term value. Its form remains largely unchanged, unlike money, which has frequently altered in appearance and reliability.

To summarize the preceding points, we can say that housing is one of the most critical social needs, and everyone participates in its fulfillment during their lives, whether through purchasing real estate for living purposes, renting, or buying properties as a long-term investment.

Data and Statistics

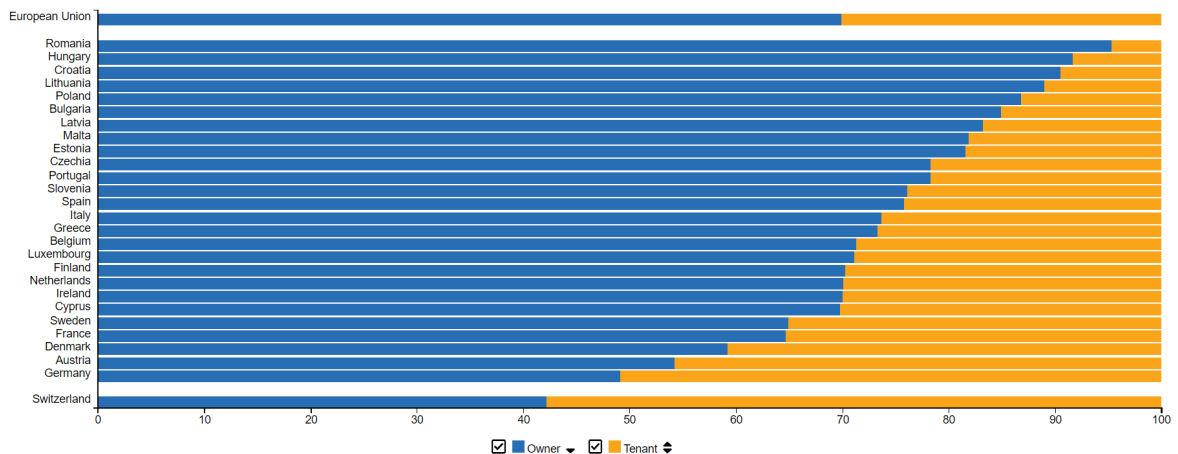
But how is the average person faring in meeting these needs today? Given the importance of real estate in each individual's life, it is quite concerning to observe data and statistics regarding the price development of these assets. Comparisons with inflation, wages, and the trends over time are particularly significant. Let's take a look at some of this data.

Eurostat

In 2021, according to Eurostat², 70% of the EU population owned their homes, while the remaining 30% rented their residences. The highest rates of home ownership were recorded in Romania (95%), Hungary (92%), and Greece (91%). With the exception of Germany, home ownership was more common in all EU member states.

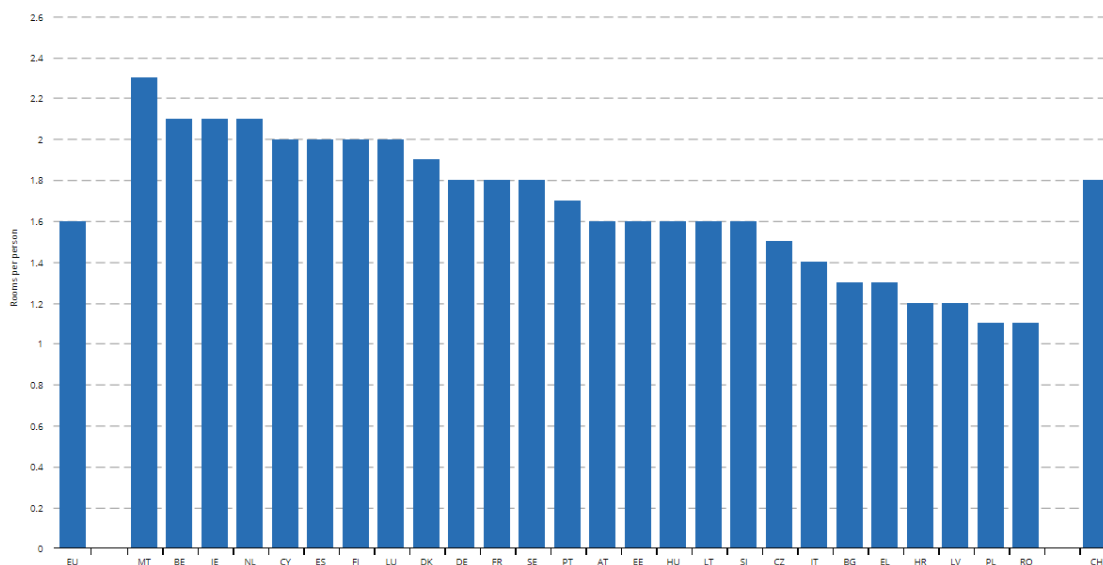
² EUROSTAT, 2021 Available from: <https://ec.europa.eu/eurostat/cache/digpub/housing/bloc-1a.html?lang=en>

Share of people living in households owning or renting their home, 2021
(in %)



In the context of these surveys, it was also reported for 2021 that the average number of rooms per person was 1.6. Malta reported the highest number of rooms per person at 2.3, followed by Belgium, Ireland, and the Netherlands at 2.1. On the opposite end of the spectrum, countries like Poland, Romania, Lithuania, and Slovakia had lower averages.

Average number of rooms per person, 2021

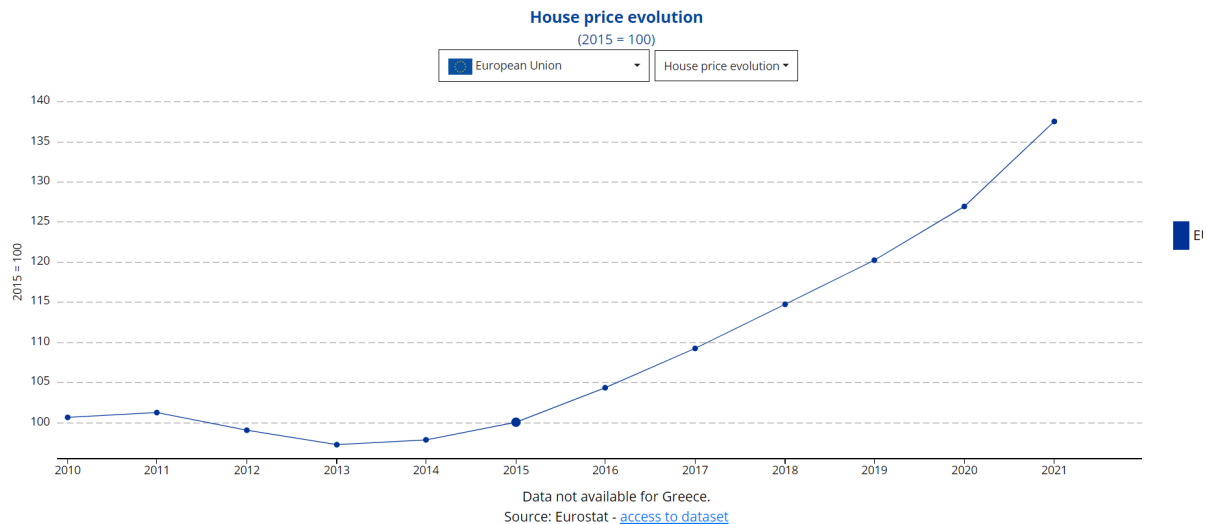


Source: Eurostat - [access to dataset](https://ec.europa.eu/eurostat/cache/digpub/housing/bloc-2a.html?lang=en)

What is more important for us are the data on real estate prices themselves³. The trend for the period from 2010 to 2021 shows an average price increase of 37% among EU member states. The highest increases, according to Eurostat, were attributed to Estonia (139%), Hungary (122%), Luxembourg (115%), Lithuania (101%), and Austria (100%).

³ EUROSTAT, 2021 Available from:

<https://ec.europa.eu/eurostat/cache/digpub/housing/bloc-2a.html?lang=en>



In contrast, rent prices increased by approximately 16% during the same period. The highest increases were recorded in Estonia (154%), Lithuania (110%), and Ireland (68%). It is interesting to note that inflation rose similarly, with an average value of 17%. This correlation between rent increases and inflation highlights the broader economic pressures affecting housing affordability.

Deloitte Property Index and Housing Affordability Over Time

Since 2012, Deloitte has published the Deloitte Property Index⁴ annually, which serves to compare real estate prices in selected countries of Central and Western Europe⁵. For our analysis, the metric known as the "Affordability of Own Housing" is particularly important, as it assesses how many years of disposable income an individual needs to purchase an average-sized apartment of 70 m².

We can observe that the time required to acquire such an apartment has been relatively volatile across the studied countries. In 2010⁶, Denmark recorded the lowest value, requiring just 2.43 years. On the other end of the spectrum, France required 9.1 years. Most countries in this study fall within a median range of 6 to 9 years of income needed to afford a home. Exceptions include Denmark, Germany, and Belgium, where individuals needed to save for less than 4 years. The authors of the study note that the affordability of property ownership does not significantly correlate with the economic development of a given country.

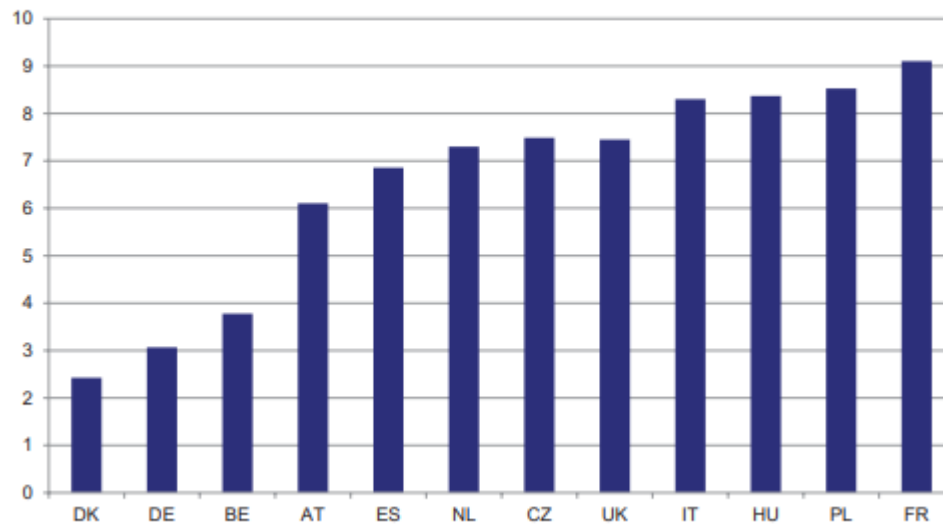
⁴ Available online: <https://www2.deloitte.com/>

⁵ These are the following countries: Austria; • Belgium; • Czech Republic; • Denmark; • France; • Germany; • Hungary; • Italy; • Netherlands; • Poland; • Spain; and • United Kingdom.

⁶ Available online: https://www2.deloitte.com/content/dam/Deloitte/cz/Documents/survey/EN_PropertyIndex2012B.pdf

Affordability of Own Housing (2010)

Gross annual salaries for the standardized new dwelling (70 m²)



Source: National Statistical Authorities, Deloitte data and calculations

If we examine the same data for 2018⁷, we can observe the following trends. Belgium offers the most accessible path to home ownership, with an average of 3.7 years needed. It's important to note that this country has a larger gap between gross and net wages compared to others. In the Netherlands, nearly 6 years of household income is required for the same purchase, which is also true for Spain and Austria. Hungary, Poland, and France fall within a range of 6 to 8 years.

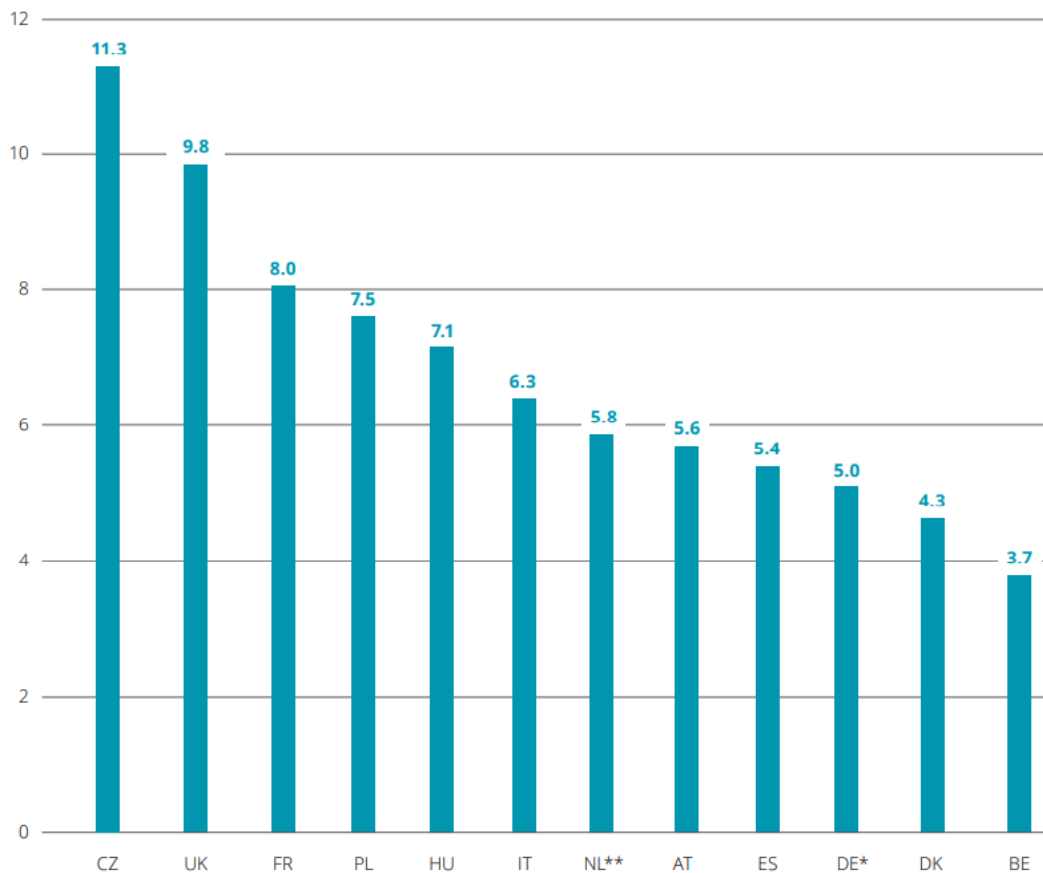
The second least affordable country is the United Kingdom, where the average household needs to save 9.8 average annual salaries. The Czech Republic ranks the lowest in terms of affordability, requiring over 11 years to purchase a new 70 m² apartment. The authors of the document note that, with the exception of the United Kingdom and France, housing affordability is strongly influenced by the wage levels in each country.

⁷ Available online:

<https://www2.deloitte.com/content/dam/Deloitte/dk/Documents/real-estate/Downloads/Property%20index%202018.pdf>

Affordability of Own Housing

Gross annual salaries for the standardised new dwelling (70 sq m), 2017



Data on the Affordability of Own Housing for 2022⁸ reveal the following trends. The Czech Republic remains the least affordable country among those studied, with buyers requiring an average of 13.31 years of household income to purchase new housing. Between 2020 and 2021, the Czech Republic also experienced the highest change in housing prices, specifically a rise of 20.13%.

Slovakia ranks second, with households needing 12.76 years' worth of income, which is an increase of 2.16 years compared to the previous year. Slovenia, Hungary, Greece, and the Netherlands fall within a range of 8 to 10 years of income. Lithuania, Poland, the United Kingdom, Bosnia and Herzegovina, Germany, Romania, and Italy require between 6 to 8 years of income, as shown in the accompanying table.

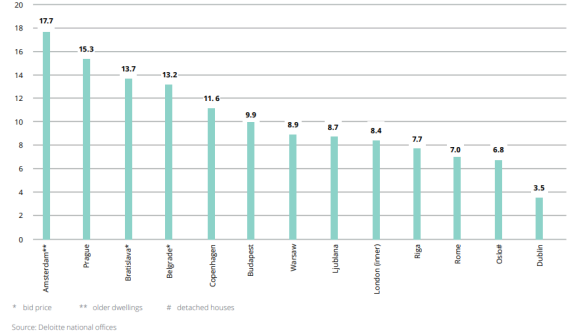
⁸ Available online:

<https://www2.deloitte.com/content/dam/Deloitte/at/Documents/presse/at-property-index-2022-final.pdf>

Affordability of Own Housing
Multiple of annual gross salaries to purchase a 70 sqm dwelling



Affordability of Own Housing
Gross annual salaries for a standardised new dwelling by city



Summary

It is essential to recognize that the price of real estate is influenced by a relatively large number of factors. However, the relationship between wages and real estate prices is one of the most critical aspects. The data in our specific case speaks very clearly: the affordability of properties has been steadily declining over the past decade. Disposable income has not been able to keep pace with rising prices, and the average mortgage repayment period is increasing.

For younger individuals seeking homeownership, the situation is challenging, as much of the housing stock is often controlled by older generations, including properties in key locations. This older generation typically acquired their assets under very different market conditions than those prevalent today. As a result, the incoming generation of potential homeowners frequently finds themselves in the position of renters or holders of long-term mortgages.

A gap is forming in the market. On one side are those who own properties and benefit from their income, while on the other side are individuals who cannot afford to buy, paying rent and contributing to the profits of property owners.

Indirect Investment in Real Estate

Rental income is a key characteristic of real estate for many individuals. However, the typically high purchase prices can be a disqualifying factor for many investors. One way to partially bypass these costs is through indirect investment in real estate via real estate investment funds and companies engaged in real estate crowdfunding or micro-investments.

These investment forms may impose a lower financial burden than purchasing an entire property and can help diversify risks, as they usually involve portfolios composed of a larger number of real estate assets. On the downside, this option does not provide the benefits of homeownership. The Association for the Capital Market of the Czech Republic classifies these types of funds as "real asset funds." Generally, we can divide funds into retail and qualified investor funds.

Qualified vs. Retail Investors

Qualified investors typically refer to individuals or companies that meet certain financial and investment criteria, and are therefore considered experienced and capable of assessing the risks associated with investing. Retail investors, on the other hand, are usually individuals who do not meet these financial criteria and are considered less experienced.

Qualified investor funds are generally designed for those who meet these criteria, making them suitable for seasoned investors capable of evaluating the risks linked to these funds. Retail funds are aimed at the general public and are thus considered appropriate for less experienced investors.

The distinction between these two types of funds may also lie in the fact that qualified investor funds may have higher entry fees or may be more volatile, as they can invest in riskier assets. Retail funds are typically seen as safer and less volatile, but they may also offer lower returns.

Performance of Real Estate Funds in the Czech Republic

To illustrate the performance of these institutions, we can look at a specific sample. For this example, we selected real estate funds operating within the Czech Republic, which previous studies identified as a hotspot for expensive and inaccessible housing.

A website⁹ tracking real estate funds monitors data for 31 institutions engaged in real estate investments. The key information that would interest potential clients includes the annual return for the last year, the average annual return, management fees, and the minimum investment amount required.

Nine institutions offer entry into investments in the hundreds of crowns, while eight require thousands or tens of thousands. The remaining funds range from 250,000 CZK (one case) to 2 million CZK. The average return for funds with lower entry requirements was 6.7% for 2022 and an average of 5.15% since inception. In contrast, the second category with higher

⁹ Available online <https://www.nemovitostni-fondy.cz/fondy/>

entry requirements reported an average return of around 7.4% for 2022 and 8.8% since inception. Overall annual management costs for both types of funds were approximately 1.9%. This fee must be considered when evaluating the overall performance of the product.

Interestingly, most of the examined real estate funds were established relatively recently. Only two have been active since before the economic crisis, while a full 22 are less than five years old. Given this relatively short history, the average annual return is not a particularly significant indicator.

Due to space constraints, we will not delve into the costs associated with entry and exit fees. From an investor's perspective, it is essential to study not only the historical performance of the fund and its fluctuations but also the structure of the various fees that the fund must cover, as these can significantly impact the overall return on investment.

Qualified Investor Funds: Further Considerations

When considering qualified investor funds, it is essential to think about their further classification into closed and open-end funds. Closed-end funds are typically available for a fixed period, and the funds usually do not buy back shares. Therefore, these can only be sold on the secondary market.

Another important factor affecting liquidity is the amount of cash that funds are required to hold by law. While retail funds must maintain 20% in cash, qualified investor funds only need to hold 5%. This minimal cash reserve can lead to delays in capital return when an investor exits the fund, sometimes taking several months.

Real Estate Investment Trusts (REITs)

Another noteworthy investment vehicle is the Real Estate Investment Trust (REIT). A REIT allows individuals to invest in a diversified portfolio of real estate assets—such as apartments, shopping centers, office buildings, and hotels—without the need to own or manage these properties directly. By law, REITs must distribute at least 90% of their taxable income to shareholders in the form of dividends, making them an attractive option for those seeking passive income.

REITs are traded on stock exchanges and can be bought and sold like any other financial product, providing investors with greater liquidity compared to traditional direct real estate investments. This enables easier execution of purchases and sales.

However, the process for individual REITs to enter global stock exchanges is time-consuming, typically requiring over two years of planning. The costs associated with this process range from 3% to 10% of the market value of the assets, which can amount to several million dollars. Therefore, using a REIT may not be attractive or practical for owners of a smaller number of assets.

Despite these challenges, it is important to note that in the record total investment in commercial real estate, which reached \$830 billion in 2019¹⁰, real estate investment funds

¹⁰ Real Capital Analytics, <https://www.rcanalytics.com/>, accessed 15 April 2020

(REITs) performed better in the long term compared to other major asset classes. The S&P Global REIT Index reported a rise of 18.7% in 2019. Thus, liquidity emerges as one of the most critical factors for investors when selecting these types of investments.

Technological Innovations: Blockchain and Tokenization

The high demand for liquidity within the traditionally illiquid sector of real estate has paved the way for the development of new technological platforms that offer previously unreachable possibilities. Blockchain technology and tokenization are at the forefront of this evolution, providing innovative solutions that could transform how real estate investments are structured and accessed.

Tokenization of Real Estate Assets

Tokenization of real estate represents a groundbreaking development that enables the conversion of real estate assets into digital tokens on a blockchain platform, creating new investment opportunities for investors. This technology emerged with the advent of blockchain and cryptocurrencies, designed to address issues related to central bank control of money and government oversight over citizens' finances. Introduced in 2009, Bitcoin was the first cryptocurrency aimed at eliminating oversight and fees associated with cash transactions.

Since then, over 21,000 different cryptocurrencies have emerged, with a total market value of approximately \$804 billion, of which \$320 billion is attributed to Bitcoin (as of January 3, 2023), according to CoinMarketCap.com. The tokenization of real estate leverages this technology, allowing real estate assets to be represented by tokens that can be traded on a blockchain platform, providing investors with enhanced liquidity, transparency, and accessibility.

Key Benefits of Real Estate Tokenization

1. **Liquidity:** Traditional real estate investments are often illiquid, making it challenging to quickly sell properties and realize returns. Tokenization allows users to swiftly and easily buy and sell tokens on a blockchain platform, greatly enhancing liquidity.
2. **Transparency:** By utilizing blockchain technology, all transactions are recorded on a public ledger accessible to anyone. This facilitates tracking ownership and the transfer of tokens, thereby increasing trust in the investment process.
3. **Accessibility:** Since tokens can be bought and sold in smaller denominations, tokenization allows more investors to participate in real estate investments, including those who previously lacked the financial means to invest in traditional real estate.

Advantages Over Competitors

Qualified Investor Funds

- **Investor Requirements:** Clients must meet qualified investor criteria.
 - **Entry Fees:** Typically higher initial investment requirements and associated fees.
-

- **Management Fees:** Additional costs can reduce net returns.
- **Limited Redemption Options:** Often no option for buybacks, affecting liquidity.
- **Cash Reserve Requirements:** Only 5% cash must be held, which can lead to delays in capital return.

Retail Funds

- **Entry Fees:** Standard fees that can diminish returns.
- **Management Fees:** Similar to qualified investor funds, impacting overall performance.

Real Estate Crowdfunding

- **Fixed Participation:** Typically involves lending for a fixed term, after which the invested amount is returned, risking inflation loss during the investment period.

Advanced R&D: Core Characteristics

Tokenization not only revolutionizes how real estate investments are structured but also enhances the overall investor experience through:

- **Smart Contracts:** Automating transactions and compliance on the blockchain, reducing the need for intermediaries.
- **Fractional Ownership:** Allowing investors to own a fraction of a property, which lowers the barrier to entry for real estate investment.
- **Global Reach:** Providing access to international real estate markets for local investors.

Advanced R&D Platform: Real Estate Fragments

The Advanced R&D platform enables the purchase of "real estate fragments," which are structured as governance tokens linked to specific Special Purpose Vehicles (SPVs) owning real estate assets. This innovative approach offers several advantages to users:

Key Features of Real Estate Fragments:

1. **No Entry Fees or Management Costs:** Users can invest without the burden of upfront fees or ongoing management costs, enhancing the overall return on investment.
2. **Profit Sharing:** Investors benefit not only from rental income but also from capital appreciation. This means that they can realize gains from property value increases and eventual asset sales.
3. **Flexible Capital Investment:** The platform allows users to invest with varying capital levels, making it accessible to a broader range of investors.
4. **Co-Ownership of SPVs:** Investors hold a stake in the SPV that owns the real estate, aligning their interests with the asset's performance.
5. **Reduced Administrative Burden:** The platform simplifies the investment process, minimizing complex administrative tasks for users.

6. **P2P Selling Feature:** Users can sell their purchased fragments to other users at a price they set themselves, similar to listings on real estate platforms. This enhances liquidity and flexibility.
7. **Participatory Decision-Making:** Investors have a say in decisions regarding the asset, such as potential early sales, provided they are advantageous in the market context. This functionality is planned to be implemented in future stages of the platform's development.
8. **Active Collaboration and Community Engagement:** The platform encourages user interaction through tips on real estate opportunities, referral commissions, and other benefits, fostering a sense of community.
9. **Networking and Educational Resources:** Users can gain access to valuable contacts, participate in a social platform, and benefit from educational content aimed at enhancing their investment knowledge.

Project Vision

We want to create this: The world of real estate investment has traditionally been reserved for those with significant financial resources who are willing to commit to long-term ownership or management of property. However, the rise of blockchain technology and cryptocurrencies has opened new opportunities for smaller investors to benefit from potential profits in real estate without having to directly own or manage the properties. The Advanced R&D platform will be one of these opportunities, allowing users to invest in real estate through the exchange of property fragments, which will be tokens representing various real estate projects tied to specific SPV companies.

The fundamental building block of the Tokenized Advanced R&D platform will be the ability to exchange property fragments with other users. This means that users will have the option to set their own price for the property fragment they hold and will be entitled to a profit if one occurs. By using this method of investing, users will be able to gain exposure to the real estate market and potentially generate a return on their investment without incurring the high costs of direct property ownership.

One of the key advantages of the Advanced R&D platform will be the elimination of many disadvantages associated with other investment options in real estate. For example, many micro-investments in real estate or crowdfunding products offer only participation in a loan with a fixed timeframe for the return of the original deposit. During this participation period, the client receives a percentage of the rent, but the returned amount after completion is often not adjusted for factors such as inflation. This means that investors may not see a true return on their investment after accounting for inflation.

The fundamental premise of investing in real estate should be the protection of capital against inflation. Just look at any report from the Czech Statistical Office¹¹ and compare prices, for example, of apartments today and five or ten years ago. The rise in housing prices outpaces the growth in wages and inflation.

In contrast, the Advanced R&D platform will offer a more flexible and potentially more profitable option. By owning a property fragment, users will have the ability to buy and sell at

¹¹ CSO, available online: https://www.czso.cz/csu/czso/ceny_bytu

any time and will be able to handle the fragment at their discretion. This will significantly increase the potential for profit, as it will depend on the user how much and when they choose to offer the fragment. This option will provide a more versatile approach to investing in real estate, which can be tailored to individual investment goals.

Another key advantage of the Advanced R&D platform will be its use of blockchain technology. This technology will allow the removal of most administrative tasks associated with property management. Smart contracts will be used to handle outputs, such as rental payments, which can simplify and streamline the process of investing in real estate. The use of blockchain technology will also offer greater transparency and security, which can provide investors with greater peace of mind when investing their money.

Through the Advanced R&D platform, investors will have the opportunity to use the platform for many other investment opportunities. For example, it will be possible to purchase property fragments in areas suitable for short-term rentals or to participate in tokenized development projects. Development companies can present their upcoming projects through an integrated metaverse and allow other users to participate.

The platform can also be used for crowdfunding real estate projects, where users can invest in a specific project and receive returns based on the success of that project. This can be particularly attractive for investors who do not have the means to invest in an entire property but still want to participate in the real estate market.

Project Features

Accessibility

One of the main advantages of property tokenization is increased accessibility for a broader range of investors. Through tokenization, individuals can purchase fractional ownership of a property instead of entire buildings or plots of land. This allows smaller investors, including retail investors, to participate in the real estate market and potentially benefit from its returns. Traditionally, real estate investments have been available only to large institutions and wealthy individuals due to high entry barriers, such as requirements for substantial initial capital and the complexity of real estate transactions. For example, the vast majority of buyers need a loan from a bank to afford their investment, making true ownership of real estate dependent on 30 years of mortgage payments and high interest rates.

For instance, in September and October 2022¹², the average price per square meter in Prague increased by 0.5% to CZK 156,600 (in new development). As a result, the average price of a new apartment in Prague measuring 70 square meters was CZK 10,962,000 according to housing availability statistics. The interest rate for truly new mortgages without refinancing slightly dropped from 5.98% to 5.93%¹³ in December for the first time in two years. While previously it was enough to have only 10% of the planned property price from personal funds, now twice that amount is needed—20% (unless you are under 36 years old). In our example, the required down payment is CZK 2,192,400. Therefore, we would return CZK 8,769,000. The monthly payment over 30 years would be CZK 52,184.16. In relation to these figures, it is also relevant to add information about the average monthly wage, which in the fourth quarter of 2022 was CZK 37,463. However, it should be noted that this data pertains to gross nominal monthly wages¹⁴. Who can afford this?

Another important factor is that the total cost of a mortgage with these parameters can reach up to CZK 18,786,299.08. This represents the costs associated with purchasing inaccessible property. While owning a house for living is invaluable, as an investment opportunity, it does not make sense.

With tokenization, however, these barriers are lowered, allowing for a more democratized and inclusive real estate market. The same applies to funds and their entry fees or minimum investment amounts (qualified investor funds¹⁵).

This increased accessibility can also lead to a more efficient allocation of capital, as smaller investors can pool their resources and invest in larger properties, thereby reducing the risks associated with investing in a single property. Additionally, it can increase competition in the real estate market, as more participants can engage in buying and selling properties. On the Advanced R&D platform, you will be able to buy and sell as much as you want, whenever you want.

Liquidity

Tokenization of real estate assets offers a solution to the problem of illiquidity, where an investor may not be able to immediately buy or sell an asset, thus facing uncertainty

¹² Deloitte, available online:

<https://www2.deloitte.com/cz/cs/pages/real-estate/articles/cze-develop-index.html>

¹³ CBA, available online: <https://cbaonline.cz/cba-hypomonitor-leden-2023>

¹⁴ CZSO, available online: https://www.czso.cz/csu/czso/cr/prumerne-mzdy-4-ctvrtleti-2022#_ftn1

¹⁵ see chapter Indirect investment in immovable property

regarding price fluctuations between the investor's decision to buy and the closing of the transaction. Transaction costs can also be significant due to the illiquidity of the asset. Tokenization allows owners of a single asset or a small portfolio of assets to offer investors the right to participate in fractional ownership and subsequent secondary trading, significantly reducing the time and costs associated with offering an investment. With tokenization, real estate assets can be bought and sold on the secondary market, providing investors with the option to quickly and easily liquidate their investments if necessary. The increased liquidity provided by tokenization can also help attract new investors to the real estate market, as it gives them the flexibility to easily exit their investments if market conditions change. This, in turn, can help increase the overall market size and provide a broader pool of capital for property owners to draw from. Moreover, trading tokenized properties on the secondary market can help increase transparency in property pricing, as market participants can see current trading prices in real time. This can help ensure that prices reflect current market conditions and reduce the risk of mispricing. To create liquidity in the market, tokenization relies on the number of people interested in participating. The success of tokenization can be seen from data on similar markets, such as REITs and crowdfunding. The global real estate crowdfunding investment market is estimated to reach approximately USD 250 billion by 2030, with an approximate compound annual growth rate (CAGR) of around 45% between 2022 and 2030¹⁶. In conclusion, the tokenization of real estate assets offers a solution to the problem of illiquidity, attracting more investors to the market and creating a transparent, efficient, and flexible investment option for everyone. The increased liquidity provided by tokenization can enhance asset value and provide a wide range of opportunities for both property owners and investors.

Transparency

The use of blockchain technology in the tokenization of real estate provides increased transparency of ownership and property transfers. With blockchain, all transactions are recorded in a secure and decentralized ledger that is transparent and easily accessible to all participants. This provides a clear record of ownership, reducing the risk of fraud and ensuring that ownership of tokenized real estate assets is accurate and up to date. Additionally, the use of smart contracts in real estate tokenization can automate many processes associated with buying and selling properties, such as the transfer of ownership and payment of taxes and fees. This helps increase the efficiency of the transactional process and reduces the risk of errors or inaccuracies. The increased transparency provided by the tokenization of real estate can also help build trust among market participants, as all parties have access to the same information and can easily verify ownership and transfer of properties. This can help increase overall confidence in the real estate market and provide a stable and secure investment environment for investors.

Efficiency

Real estate tokenization is groundbreaking for this sector, as it allows for greater efficiency

¹⁶ Available online:

<https://www.polarismarketresearch.com/industry-analysis/real-estate-crowdfunding-market>

through automation. By utilizing smart contracts, compliance with securities regulations can be automated, ensuring that all transactions adhere to regulatory guidelines. Additionally, communication with investors, distributions, purchases, and sales can also be automated, streamlining the process and saving time and resources. Tax accounting is another task that can be automated, minimizing the likelihood of errors and ensuring accurate and timely reporting. Moreover, whenever suitable, investor voting can also be conducted through smart contracts, eliminating the need for time-consuming manual processes.

Through automation, real estate sponsors can effectively manage a large number of investors, reducing administrative costs and providing an accurate audit trail for all activities associated with the properties. This can help increase transparency, which is crucial for building trust among investors. As a result, more investors are likely to invest in real estate, which can lead to an increase in the overall market size and provide a broader pool of capital for property owners to draw from.

Automation can also be implemented within the revenue of tokenized properties. For example, smart contracts can automate the distribution of rental income or other income generated by the properties. This can help ensure timely and accurate payments, freeing sponsors and investors to focus on other aspects of the investment. In this way, real estate tokenization provides unparalleled efficiency, creating a more attractive investment opportunity for individuals looking to invest in real estate.

Reduced Costs

Acquiring real estate assets can be costly, involving many expenses, such as real estate agent fees of 3 to 5% of the property price, legal fees (if not included in real estate agent fees), property transfer taxes, mortgage costs (as noted in the Liquidity section), and registration fees in the land registry. However, through tokenization, the administrative costs of owning an asset can be significantly reduced. Smart contracts can automate periodic administrative tasks, such as reporting or income distribution, further lowering administrative and compliance costs.

Tokenization also simplifies the process of buying and selling properties, reducing the need for intermediaries such as lawyers and real estate agents. This can lead to a significant reduction in fees associated with real estate transactions, making real estate investments more cost-effective for individuals.

Furthermore, the increased accessibility to real estate investments provided by tokenization can also help reduce the cost of capital for property owners. By engaging with a broader pool of investment capital, they can obtain financing at lower costs, making real estate investments more attractive and accessible to a wider range of individuals and institutions. Real estate tokenization may also potentially offer some protection against inflation by allowing investors to invest in assets expected to appreciate over time. Real estate assets, especially those in desirable locations, are often considered a hedge against inflation due to their tendency to appreciate in value over time. By tokenizing these assets, investors can benefit from these long-term appreciation trends and potentially protect their investments from the negative impacts of inflation.

Summary

“Digital asset fractionalisation, or tokenisation, has been successfully achieved in limited scale in fine art and machinery, and the real estate market offers a huge and irresistible

opportunity to further develop and apply this technology in large scale. Blockchain applications are becoming fit for the purpose of underpinning a tokenised market.”¹⁷

¹⁷ Available online: <https://www.sbs.ox.ac.uk/sites/default/files/2020-01/Tokenisation%20Report.pdf>

Advanced R&D: How It Works?

Advanced R&D Platform

The platform for real estate investments integrates blockchain technology, allowing users access to an online marketplace and P2P functionality. Through the online marketplace, available products and services can be viewed and purchased. The core component is the Real Estate Fragment (NF), representing specific real estate projects. The platform facilitates transactions between users (P2P). CZK can be used for purchases on the Advanced R&D platform (with plans to expand options to other currencies in the future). One of the key advantages of tokenization is the increased liquidity it brings through trading on the secondary market. With our P2P feature, users will have the ability to buy and sell all products and services offered by Advanced R&D. Users will have a wide range of options for setting their offer prices, providing a flexible and user-friendly experience.

Application Structure

The application can be structurally divided into the following modules:

- **Homepage**

This is the main page of the website, designed to familiarize visitors with the product and log into personal accounts for registered users. For visitors, it serves a marketing function: presenting the product, creating product value, instilling trust in the product, and encouraging registration. For users, the homepage serves as the frontend for logging into the application to use it. Accessible to all users.
- **User Registration and Login**

An application module that allows visitors to register in the app and start using it, and users to log in and access the app's features. Login is available for both unverified and verified users, as well as administrators, while registration is for visitors. Registration must include KYC processes.
- **KYC**

KYC verification will be implemented through integration with SumSub. The frontend will install the SumSub SDK for implementation.

Entry Points:

 - Immediately after registration.
 - Before capital withdrawal from the service (i.e., without KYC verification, a user cannot withdraw funds from the service).
 - If a user initiates KYC verification from their profile.
- **Verification Scenario**

The user is redirected to the verification page via SumSub. The user submits all required documents for review on SumSub and fulfills all SumSub requirements for verification. The frontend sends all data to SumSub via the SDK. The frontend receives the user ID from SumSub and sends a request to the backend.

Request Parameters:

 - User ID on the platform.
 - User ID in SumSub.

The backend connects to SumSub via webhook and retrieves the user's verification status.
- **User Types:**

- **Unverified User:** A user who has completed registration but has not undergone the KYC process.
- **Verified User:** A user who has successfully passed the KYC process.
- **Re-verification:** A user who has previously passed KYC but needs to go through it again (as indicated by SumSub).
- **Blocked User:** A user who initiated the KYC process but was not verified by SumSub.
- **Property Catalog**
One of the main functional modules of the application. This is a catalog of properties currently available for investment. Each property includes key characteristics for user evaluation. Users can navigate to any property page to view detailed information. From this module, users can perform the primary function of the product—buying and selling properties. This module is available to all users, with buying/selling limited to verified users. For each property on the platform, smart contracts, known as utility tokens, have been developed, representing the respective project.

When a user purchases a share in a property, they receive tokens associated with that smart contract and automatically become a capital participant in the company.

Property Characteristics:

- Property Name
- Property Type
- Property Area (in m²)
- Geographical Location
- Property Price
- Expected Annual Income
- Name of NF (Real Estate Fragment)
- NF Ticker
- Minimum Investment
- Sales Start Date
- Sales End Date (if specified)
- Property Status

Property Status:

- **Active:** This status is assigned to a property once a Property smart contract is created for it. Users can submit requests to purchase NF.
- **Is_Deleted:** False
The administrator can delete the property. If the administrator deletes the property, the parameter **Is_Deleted** changes to True. In this case, all investment-related processes are frozen, and investors will be informed about the next steps, which will include the reimbursement of invested funds.
- **P2P:** False
Users cannot create orders for P2P buying or selling of NF for this property. The administrator cannot change this parameter if the property status is "Active."

- **Completed:**
This status is assigned to the property once all NFs have been sold. Users cannot submit requests to purchase NFs.
- **Is_Deleted:** False
The administrator can delete the property. If the administrator deletes the property, the parameter **Is_Deleted** changes to True.
- **P2P:** False
The administrator can change the P2P status to True. In this case, users will be able to create orders for P2P buying or selling of NF for this property.

Purchasing Real Estate Fragments (NF)

- The user:
 - Navigates to the property page.
 - Specifies the number of NFs they want to acquire (N tokens).

Filtering and Sorting Properties

User Scenario for Filtering and Sorting Properties:

1. **User:**
 - Navigates to the property catalog.
 - Selects a sorting parameter (optional).
 - Chooses filters (optional).
 - Enters the property name in the search field (optional).
2. **Frontend:**
 - Displays the selected filters and sorting parameter to the user.
 - Sends a request to the backend, including:
 - Sorting parameter (if selected).
 - Filters (if selected).
 - Property name (if specified).
3. **Backend:**
 - Receives the request and fetches properties from the database that match the filters, in the chosen sorting order, and contain the specified name.
 - Returns a response to the frontend.
4. **Frontend:**
 - Displays the properties to the user in the chosen sorting order that match the given filters and contain the specified name.

Dashboard (Portfolio)

The dashboard is one of the main functional modules of the application. It allows users to view their investment portfolio, providing advanced portfolio analysis, including invested amounts, profitability, investment history, etc. This enables users to analyze their portfolio and manage properties—buying or selling. Accessible to both verified and unverified users.

Upon registration, users enter their details, provide a photo ID, and undergo video verification. This technology addresses legal nuances and ensures user security.

P2P Module

The P2P module allows users to conduct P2P transactions with real estate tokens—buying tokens from sellers and creating their own sell orders for real estate tokens. Browsing is available for both verified and unverified users, but P2P transactions are limited to verified users.

- **P2P Marketplace Block:** A marketplace for trading fragments where users can buy and sell shares, browse listings, and use search and filter options.
- **Buy Orders Block:** Allows users to view available buy orders for fragments, including information on available shares, token price, and total value.
- **Sell Orders Block:** Enables users to sell real estate fragments. Users can select an available fragment to sell from the table.
- **Order Block:** Lets users complete the purchase or sale of fragments by entering the number of shares and total price, with buttons for confirming or canceling the transaction.

Each block displays detailed information about the real estate project, including expected income and token details, streamlining and clarifying the trading process.

User Profile and Settings

This section contains the user's personal information settings, such as first name, last name, email, and other necessary identification details. It allows registered users to complete the KYC procedure to become verified users and access all features of the product. Users can also change various application settings (currency, language, etc.), security settings, and toggle notifications for different events. It is available for both unverified and verified users.

Referral System

The system allows the following: The referrer can invite referred users to the service using their referral link or code, and after the referred user completes certain actions, the referrer will receive a reward in DHOME tokens. The reward for the referrer for each referred user is one-time only. The referral system should be single-tier.

Example: There are three users: A1, A2, A3. User A1 is the referrer of user A2 and receives a reward for them. User A2 is the referrer of user A3 and receives a reward for them. User A1 does not receive a reward for user A3.

Tokens on the Platform

Real Estate Fragment

Real Estate Fragment in a Nutshell:

- Includes contractual documentation for the completed collaboration.
- This transforms the user into a partner in an SPV that owns a specific real estate asset.
- SPV (Special Purpose Vehicle) is a purpose-built company designed to execute a specific project.
- The purpose of the company, in this case, is to generate profit from holding the property and its subsequent sale.
- The sale is always determined in advance before the establishment of the SPV; however, the timeframe can be shortened if advantageous for the partners.
- These rights are transferable to other users.

Why Real Estate Fragment?

- Transparency in ownership and asset transfer.
- Clear ownership record, minimizing fraud risk and providing always current and accurate information.
- Helps automate most processes associated with buying and selling real estate, such as ownership transfer or payment of associated fees and taxes, increasing transaction efficiency and reducing the risk of errors and inaccuracies.
- Lower costs (legal fees calculated separately, property acquisition tax, mortgage costs, and land registry fees).

The Real Estate Fragment is a digital representation of a specific project involving real estate on the Advanced R&D platform. Each token is unique and contains information about the contract between the user and the platform. This information includes all contractual documentation and the percentage share of profits from the SPV to which the real estate belongs.

Holding a real estate fragment offers the advantage of sharing in any profits that may arise from the property, such as rent or appreciation in value. Rent and appreciation over time are the two components that make up potential profits.

The more profitable the property, the lower the rent is typically in relation to the purchase price, but with a higher appreciation in value over time. All rental agreements and other documents for the underlying asset are available for those who have purchased real estate fragments within their client zone.

If you own a significant share of a real estate fragment, you gain the ability to reduce your rental costs. The more fragments you hold, the less you pay in rent — proportionally to your ownership. Tokenization introduces innovative ways to manage and benefit from real estate, allowing tenants to partially own the property they live in and, as a result, lower their monthly payments.

Real estate fragments can be sold through peer-to-peer (P2P) transactions, and sellers can choose their own selling price.

Ownership of a real estate fragment does not require direct ownership of the property. The underlying asset serves only as a rational basis for indirect ownership of the property owned by the Advanced R&D series. Users do not incur any obligations to manage the property, pay taxes, etc. Property management companies are responsible for managing the properties and all owner obligations.

As part of Advanced R&D, the platform offers an easy way to buy and sell real estate fragments, similar to a regular e-shop. The fees for purchasing traditional real estate are significantly higher.

Real estate fragments are an ideal investment option for those looking to protect their savings from inflation. Additionally, trading in real estate fragments offers an interesting alternative to real estate crowdfunding and micro-investments in real estate.

Real Estate Fragment (NF) Each property has its own tokens (smart contracts), with the total number corresponding to the property's price within the specific project the customer is purchasing. When a customer buys a share of this project, they receive a certain amount of these tokens as proof that they are entitled to a share of the profits from these assets owned by the SPV.

Some specifications of this token include:

- Named after the property (each name is specific to a particular property).
- Created on BSC (Binance Smart Chain).
- The token price depends on the total price of the property within the project.
- The issuer of this token is the platform.
- The total number depends on the characteristics of the property.

What Can You Do with the Fragment?

- **Monetary Rent:** The customer earns profit from the project when the property is rented out. Once the property is rented, the platform distributes dividends in fiat currency. The amount depends on the rental fee and is divided among customers according to the size of their share in the project. This is sent to each customer, for example, on the first day of each month. The platform manager must have special access to deposit rent payments to customers for each month the property is rented out.
- **Property Purchase:** The customer gains a certain share of the profits from the project and can choose the amount they want to buy. The customer can purchase the property from either the owner (manager) or from a platform user selling real estate tokens on the P2P platform.
- **Selling Property via P2P:** This is the process of selling the real estate token. This occurs by finding another person willing to buy this token. The customer selling the property sets the price for their real estate tokens, which can be higher or lower depending on the user's choice.

Challenges Associated with Real Estate Fragments

Governments around the world, including the United States, have begun efforts to regulate cryptocurrencies. On March 9, 2022, U.S. President Joe Biden signed an executive order for a comprehensive review of digital assets, which includes cryptocurrencies¹⁸.

In Europe, these efforts are represented by the proposed document Markets in Crypto Assets (MiCA). The final vote on the highly anticipated EU regulations for cryptocurrencies, known as the Markets in Crypto Assets Regulation (MiCA), has been postponed to April 2023. This is not the first delay, as lawmakers previously moved it from November 2022 to February 2023¹⁹.

To launch tokens with properties intended for real estate fragments, a security token license is expected to be required²⁰. However, as part of the initial launch of the platform, the Advanced R&D project has an alternative solution, where the Real Estate Fragment (NF) can use a so-called Silent Partnership contract as the underlying asset. In this case, an SPV (Special Purpose Vehicle) is created, which has the sole purpose of managing the asset invested in it. In our case, this asset is real estate, from which profits can flow and are then distributed among NF holders. Thus, the NF is a token that functions as a profit-sharing contract for a specific portion of the real estate owned by the company.

Case Study: Establishment of a Special Purpose Vehicle (SPV)

1. Establishment of the SPV

The first step is always the establishment of a Special Purpose Vehicle (SPV). This SPV is created for the sole purpose of purchasing, selling, and managing a specific property in which individual investors (partners) choose to invest via the website of Advanced R&D a.s.

2. Property Search

The second step involves searching for a specific prospective property to be purchased by the SPV. Once the SPV is established, it can engage in various transactions and act legally, allowing it to purchase the relevant property that will be the subject of investment by the investors (partners).

3. Closing the Purchase (or Reservation) Agreement Between SPV and Seller

¹⁸ available online:

<https://www.whitehouse.gov/briefing-room/statements-releases/2022/03/09/fact-sheet-president-biden-to-sign-executive-order-on-ensuring-responsible-innovation-in-digital-assets/>

¹⁹ <https://aibc.world/news/europes-new-crypto-mica-regulations-pros-and-cons/>

²⁰ A security token is a digital representation of a real-world financial asset (such as a share certificate, loan or land title). They are built with blockchain-based technology, making them highly secure digital assets. Security tokens dramatically improve the security of digital assets, ease fundraising and reduce the costs of cross-border transfer and compliance. Security tokens are gaining in popularity around the world – for their potential to improve capital markets and financial inclusion

After the SPV carefully selects a suitable property and decides to purchase it, it will first enter into a purchase or reservation agreement with the seller of the property.

If the SPV purchases the property entirely from its own resources, a direct purchase agreement will be concluded between the SPV and the seller of the property. The SPV may wish to buy the property partially from its own resources and partially from funds invested by the investors, or entirely from the investors' funds; in this case, a reservation agreement will be concluded first.

If a reservation or purchase agreement is made (if the SPV purchased the property from its own resources), the relevant property will then be published on the website, stating the total amount that needs to be "collected" from the investors (partners).

If a reservation agreement was concluded, then at the moment when the SPV "collects" the funds needed to purchase the property, it will close a purchase agreement with the seller for that property.

4. Possibility of Entering into Contractual Relationships

After the SPV concludes a reservation or purchase agreement with the seller of the property, the relevant property can be published on the website for investment by investors (partners), allowing the necessary contractual documentation to be executed. This will either be (a) a partnership agreement or (b) an assignment agreement for the partnership contract.

Each partnership agreement concluded between the SPV and a partner is represented by a so-called fragment, which is then made available to the partner within their user account. The investor (partner) thus owns a certain number of fragments.

- The SPV must specify in advance what value of the contribution (the basic invested amount) will correspond to one fragment—e.g., CZK 10,000. One fragment then corresponds to one concluded partnership agreement.
- For example, if the investor (partner) decides to invest a total of CZK 50,000 and the basic invested amount corresponding to one fragment is CZK 10,000, then the investor (partner) effectively concludes a total of 5 partnership agreements, thereby acquiring 5 fragments.

For illustration:

- The SPV selects the relevant property it decides to purchase.
- At the beginning, before entering into contractual documentation with investors, the SPV must determine (a) a fixed amount to be "collected" from investors—e.g., CZK 10,000,000, (b) the amount of distributed profit, i.e., the profit to be distributed among the individual investors, e.g., 50% of the total profit, (c) the basic invested amount corresponding to one fragment, e.g., CZK 10,000, with the maximum number of fragments, e.g., in this case, 1,000, being determined simply according to the formula.

Based on these parameters, the share of profit (or loss) for the partner will then be calculated (see Step 6). In this case, each fragment (and thus the CZK 10,000 investment) will account for 0.05% of the profit and loss during the duration of the silent partnership.

- These individual parameters cannot be changed during the process of collecting funds from investors.

Primary Purchase (Partnership Agreement)

If an investor expresses interest in investing in the property advertised on the website, the SPV will conclude a partnership agreement with them—this agreement will be automatically generated for the investor on the website when the "purchase" is made.

The investor effectively becomes a silent partner in the special purpose vehicle (SPV—see Step 1), which plans to purchase the relevant property.

Based on this partnership agreement, the investor will be obliged to contribute the chosen amount of funds, thereby participating in the profit and potential loss of the SPV (for more on profit distribution, see Step 6).

Two situations may arise where P2P buying/selling is relevant:

- An existing investor wants to sell their share in the SPV (seemingly a share in the property) and decides to sell/offer it to another person on the website.
- All shares in the company (SPV) have already been purchased by investors; therefore, a new potential investor can express interest on the website in buying a share from the existing partner.

If one of the situations described above occurs (the existing investor wants to sell their share to someone interested in buying the share, etc.), Advanced R&D a.s. will conclude an assignment agreement for the partnership contract with the partner who wishes to sell their share. At the same time, Advanced R&D a.s. will conclude an assignment agreement for the partnership contract (the one previously assigned to it by the partner) with the person who wants to buy the relevant share (new partner).

The purpose of establishing such a process is to ensure that there is indeed a change in the identity of the investor (partner), meaning that the partnership agreement is assigned, and the original partner is paid by the new partner for the assignment of this agreement.

As a result of the P2P buying/selling, the identity of the partner who participates in the business of the SPV changes.

5. What Happens During the Duration of the Partnership Agreement?

The SPV, which is established at the very beginning of this process (see Step 1), is always founded for the purpose of purchasing, selling, and managing the property (leasing, etc.). Investors (partners) participate in the profit and loss from the business of this company through their contributions to the SPV based on the partnership agreement.

If the company generates profit during the duration of the partnership, for example, from renting the property, it will distribute it among the individual partners according to the partnership agreement (for more on profit distribution, see Step 6). The same applies in the case where the company reports a loss during its duration.

6. Distribution of Profit Share (Loss Share)

The partner, through their contribution, participates in the profit and loss of the company. If the company (SPV) generates a profit during the duration of the partnership agreement, for example, from renting the property, the company will distribute this profit among the individual partners according to the partnership agreement.

The process of distributing profit to partners proceeds as follows:

- The company must prepare the financial statements, which must then be approved by the company's general meeting.
- If the financial statements show that the company generated a profit, the partner's share of the profit is calculated using the formula provided in the agreement:
$$(\text{Distributed Profit} / \text{Maximum Number of Fragments}) * \text{Number of Fragments} = \text{Share of Profit}.$$

Example: If the total profit is CZK 10,000,000, the amount of distributed profit is 50%, and the maximum number of fragments is 1,000, with the partner holding 5 fragments, then:

$$\text{Share of Profit} = (5,000,000 / 1,000) * 5 = \text{CZK } 25,000.$$
- The share of profit is then automatically paid out to the partner.

The share of loss is set up similarly to the share of profit:

- The company must prepare the financial statements, which must then be approved by the company's general meeting.
- If the financial statements show that the company is at a loss, the partner's share of the loss is calculated using the formula provided in the partnership agreement (which corresponds to the profit share formula).
- The calculated share of the loss is deducted from the partner's contribution made to the company.
- The partner participates in the company's loss only up to the amount of their contribution.

7. Conclusion of the Investment Horizon

The duration of the partnership is tied to the so-called investment horizon, which is always specified in advance in the partnership agreement (e.g., a period of 7 years from the date of the agreement).

After the investment horizon has elapsed, the company should sell the relevant property and subsequently pay the partners their respective share of the profit.

At the same time, after this period, the company (SPV) will return to the partner the contribution they made at the beginning.

If the company has reported a loss, the partner will share in this loss up to the amount of their contribution. Therefore, this loss may reduce the partner's contribution that is returned to them after the investment horizon has expired.

Summary of Real Estate Fragment (NF)

A real estate fragment (NF) represents an innovative form of real estate investment that allows ownership to be divided into smaller parts and tokenized. This concept opens up new opportunities for both investors and property managers. Investors can gain a share in a property and participate in its profits without having to deal with direct ownership and associated obligations.

Key steps and aspects include:

- **Establishment of a Special Purpose Vehicle (SPV):** The SPV is created for the purpose of purchasing and managing real estate.
- **Property Acquisition:** The SPV seeks and purchases promising properties, which are then offered to investors.
- **Signing Partnership Agreements:** Investors enter into partnership agreements, gaining real estate fragments that represent their share of profits and losses.
- **Possibility of P2P Transactions:** Investors can sell their fragments to other interested parties through the platform, allowing for flexibility and liquidity of investments.
- **Share of Profit and Loss:** Investors receive a share of profits from rent or property sales, with this share being distributed according to the signed partnership agreement.
- **Conclusion of the Investment Horizon:** After the specified period has elapsed, the property is sold, and investors are paid their share of the profits and have their initial investment returned, minus any applicable losses.
- **Challenges and Legislation:** Since real estate fragments may be considered financial instruments, it is essential to obtain the appropriate licenses and comply with relevant regulatory requirements, such as the MiCA regulations in the European Union. An alternative approach involves using silent partnership contracts, which may allow for circumventing some regulatory restrictions.

Overall, NF offers a modern and flexible way to invest in real estate, which can be attractive to a wide range of investors, including those seeking alternatives to traditional investment tools.

Token DHOME

The DHOME Token is a utility token designed to support the Advanced R&D ecosystem. With DHOME tokens, users can purchase certain products and services offered on the platform. The DHOME Token will serve as one of the means for engaging users utilizing the platform.

DHOME tokens can be exchanged for other cryptocurrencies, either directly through the Advanced R&D platform or via cryptocurrency exchanges. The token will also be listed on various third-party cryptocurrency exchanges, making it accessible to a wide range of users.

As a utility token, the DHOME Token has practical and functional uses within the Advanced R&D ecosystem, with its value reflecting the demand for the platform's products and services. Through the DHOME token, Advanced R&D aims to create a thriving and self-sustaining ecosystem for the benefit of its users.

Use Cases for the Token

- **Token as a Key:** DHOME can serve as a "key" to access exclusive content or offers.
- **Access to Exclusive Services:** Tokens can provide access to special services or benefits on the platform that are not available to non-token holders, such as early investment opportunities and special events.
- **Referral Program:** Each member earns 10 DHOME for referring the platform to someone who subsequently purchases one or more properties.
- **Voting Features:** DHOME holders can vote on new features, platform changes, or property selections for further tokenization using their tokens.
- **Governance:** DHOME holders can delegate their tokens for governance to gain a proportional share of the revenue from platform commissions or other income forms.
- **Social Functions:** DHOME can be used to support social housing projects or other socially relevant initiatives. Token holders can vote on or directly invest in these projects.
- **Funding Platform Development:** DHOME tokens can be used to finance the development of the platform, such as voting on new features or platform enhancements.
- **Staking:** By locking a stake in DHOME, users earn percentage profits in DHOME while simultaneously supporting the ecosystem.

Factual Information about the DHOME Token, Tokenomics, and Staking

DHOME Token Specifications

The DHOME token, named Decentralized HOME with the symbol DHOME, is designed as an ERC-20 compatible token with enhanced features for the Advanced R&D platform. It has 18 decimal places, which is standard for ERC-20 tokens. The maximum supply (Max Supply) is fixed at 1,000,000,000 DHOME, and this cap cannot be altered after the contract is deployed. The token also implements the ERC-2612 standard, enabling "permit" functionality for transaction approvals without incurring gas fees (gasless approvals).

The contract employs an access control system (OpenZeppelin's AccessControl) with multiple defined roles for management and security. The key DEFAULT_ADMIN_ROLE is exclusively held by a multi-signature wallet for maximum security. Other roles include:

- **GOVERNOR_ROLE:** For planning and executing parameter updates.
- **MINTER_ROLE:** For minting new tokens (up to MAX_SUPPLY).
- **PAUSER_ROLE:** For globally pausing/resuming transfers.
- **BLACKLISTER_ROLE:** For managing address blacklisting.

A dedicated Treasury Address automatically collects transaction taxes. Key features include:

- The ability to pause all transfers (pause()/unpause()) via the PAUSER_ROLE in emergencies.
- Blacklisted addresses (managed by BLACKLISTER_ROLE) cannot send or receive tokens.
- A configurable tax (expressed in basis points) applies to all transfers, with proceeds automatically directed to the treasury.
- Critical parameter changes, such as the tax rate (capped at 5%) or treasury address, are subject to a 2-day delay between scheduling (scheduleChange()) and execution (executeChange()) for enhanced transparency and security.
- The batchTransfer() function enables sending to up to 50 recipients in a single transaction for efficient token distribution.
- All critical actions (minting, blacklist updates, parameter changes) generate events for auditability.
- The burn() function allows holders to irreversibly destroy their tokens.
- For regulatory compliance, the token supports FATF Travel Rule requirements through blacklisted address screening, fund traceability via the tax mechanism, and auditable transaction history through event logging. The goal is to meet exchange listing requirements.

DHOME Tokenomics

The total supply of DHOME tokens is 1,000,000,000, allocated as follows:

- **Private Sale:** 10%
- **Public Sale (IDO):** 10%
- **Team:** 12%
- **Advisors:** 4%
- **Marketing & Partnerships:** 10%
- **Liquidity Fund:** 13%
- **Staking & Rewards:** 25%
- **Community Treasury:** 5%
- **Operational Costs:** 6%
- **DAO Reserve & Emergency Fund:** 5%

Specific vesting and unlocking conditions at the Token Generation Event (TGE) apply to each category:

- **Private Sale:** 0% unlocked at TGE, followed by a 1-year cliff and 2-year linear vesting. OTC distribution, tokens are initially distributed through direct investor agreements to minimize market impact.
- **Public Sale (IDO):** 5% unlocked at TGE, with the remainder vesting linearly over 18 months (approximately 5.28% monthly). A 3-month lock applies for trading on centralized exchanges (CEX).
- **Team:** 0% unlocked at TGE, with a 1-year cliff and 4-year linear vesting. Early team departure incurs a 50% penalty.
- **Advisors:** 0% unlocked at TGE, with a 6-month cliff and 2-year linear vesting, tied to milestone achievements.

The model includes several deflationary mechanisms:

- A 10% tax on early Private Sale disposals.
- Monthly burning of 10% of staking rewards.
- Burning of tokens for unmet marketing KPIs.
- Quarterly burning of unused operational and marketing funds.

The Community Treasury is managed by a 5-of-7 multi-signature wallet. The liquidity strategy involves deploying 30% of the liquidity fund at TGE, with the remaining 70% released quarterly or based on trading volume, using algorithmic rebalancing between CEX and DEX (decentralized exchanges). A Decentralized Autonomous Organization (DAO) will launch 6 months post-TGE, allowing holders of staked DHOME to vote on treasury usage, APY rates, and emissions. The emergency fund (2% of supply) is accessible only via DAO proposals. Community Treasury allocation is decided 50% by DAO voting and 50% by an expert council. The project claims compliance with MiCA, FATF, and GDPR regulations.

DHOME Staking

The staking contract (Solidity version 0.8.24, MIT license) allows users to lock DHOME tokens for predefined periods to earn rewards. Three lock-up durations are supported with the following default Annual Percentage Yields (APY):

- **3 months (90 days):** 2.5% APY (250 basis points)
- **6 months (180 days):** 5.0% APY (500 basis points)
- **12 months (365 days):** 12.0% APY (1200 basis points)

Each stake is recorded with a structure containing the amount, start time, applicable APY rate, lock-up duration, and a flag indicating whether the stake has been withdrawn. Rewards are calculated using the formula:

$$\text{reward} = \text{amount} * \text{APY rate} * \text{lock-up duration} / 365 \text{ days} / 10,000.$$

The maximum configurable APY is 30%. Users can stake tokens using the `stake()` function and withdraw both the stake and rewards using `withdraw()` after the lock-up period. If the contract is paused, an emergency withdrawal (`emergencyWithdraw()`) is available with a

10% slashing penalty. The minimum stake is 1 DHOME, and the maximum is 100,000 DHOME. Each user can have up to 100 active stakes.

Contract management is handled by the DEFAULT_ADMIN_ROLE (multi-sig) and GOVERNOR_ROLE. The governor can:

- Add rewards to the pool (addRewards()).
- Update APY rates for each period (updateAPY(), with a 7-day cooldown).
- Set minimum and maximum stake limits (setStakeLimits()).
- Pause/resume contract functions (pause()/unpause()).
- Recover other ERC20 tokens mistakenly sent to the contract (recoverERC20(), with a daily limit equivalent to 10,000 DHOME).

The contract includes protection against reentrancy attacks. The calculateReward() function estimates rewards, and getStakes() provides a paginated list of a user's stakes.

Token Sale and Initial Funding

Advanced R&D plans a structured token sale to finance its launch. A total of 20% of the total token supply is allocated for the private presale (10%) and the public IDO sale (10%). These offerings are expected to raise a total of \$3.5 million. Key conditions are designed to ensure stability and incentivize investors:

Private Presale:

- **Offering:** 100,000,000 DHOME tokens (10% of total supply) at \$0.015 per token.
- **Proceeds:** \$1.5 million.
- **Conditions:** Tokens are subject to a 1-year cliff and 2-year linear vesting. With a 10% anti-dumping tax on early sales.

Public Sale (IDO):

- **Offering:** 100,000,000 DHOME tokens (10%) at \$0.02 per token.
- **Proceeds:** \$2.0 million.
- **Conditions:** Tokens are locked on exchanges for 3 months, followed by 18-month linear vesting (approximately 5.3% monthly).

These steps ensure the commitment of early investors and the team while providing liquidity to other investors. The raised funds will be used for the development of the Advanced R&D project and its growth initiatives, establishing a solid financial foundation.

Operational Business Model

The core activity of Advanced R&D combines real estate investments with a blockchain-based P2P transactional platform. These complementary activities generate consistent revenue and leverage the team's expertise in real estate and technology. Key elements include:

Real Estate Flipping:

- Advanced R&D will acquire and renovate properties through a dedicated SPV (special purpose vehicle).
- **Target:** Approximately 30 properties per year.
- **Budget per property:** \$100,000 for acquisition + \$20,000 for renovation.
- **Expected sale price:** \$150,000 (average).
- **Net profit:** Approximately \$30,000 per property, yielding \$900,000 in annual profit from real estate flipping.

P2P Transactional Platform:

- Advanced R&D's blockchain platform enables direct property transactions between users.
- **Revenue:** The platform generates fees from secure, tokenized escrow services.
- **Assumptions:** Average transaction value of \$50,000, with a 1% fee.
- At 1,000 transactions per year, the platform will generate \$500,000 in annual revenue.

These activities provide Advanced R&D with diversified and scalable revenue: stable profits from real estate flipping and recurring fees from the growing P2P platform.

Team Profit from Tokens

The founding DHOME team will receive 12% of the total token supply (120 million tokens). These tokens are subject to a 1-year cliff and 4-year linear vesting to align the team's interests with the project's long-term success.

As the market value of the tokens grows due to project milestones, the released tokens could yield significant profits for the team. Example estimates:

- **Year 2:** ~30 million tokens × \$0.05 = \$1.5 million.
- **Year 3:** ~30 million tokens × \$0.10 = \$3.0 million.
- **Year 4:** ~30 million tokens × \$0.15 = \$4.5 million.
- **Year 5:** ~30 million tokens × \$0.20 = \$6.0 million.

This totals \$15 million over four years, demonstrating strong team incentives and confidence in the DHOME project's value.

Financial Summary

Below is an overview of Advanced R&D's main revenue and profit sources:

- **Token Presale:** \$1,500,000.
- **Token Public Sale:** \$2,000,000.
- **Real Estate Flipping:** \$900,000/year.
- **P2P Platform Fees:** \$500,000/year.
- **Team Token Value:** \$15,000,000 over 4 years (averaging ~\$3.75 million/year).

Overall, Advanced R&D's combined initiatives are expected to generate approximately \$19.9 million in value. Initial token sales (\$3.5 million) will provide critical capital for development

and marketing, while real estate and the platform ensure sustainable annual revenue (\$1.4 million from operations). The team's tokens represent long-term value growth.

Risks and Their Mitigation

Real Estate Market Fluctuations

Risk: Despite the long-term growth in property prices (37% in the EU between 2010–2021 according to Deloitte, 20.13% in the Czech Republic between 2020–2021), temporary declines in demand or prices may occur due to economic factors such as a recession or rising interest rates.

Mitigation:

- **Below-Market Purchase Strategy:** Advanced R&D acquires properties at discounts of 20% or more (page 41), creating a safety buffer. For example, in the case of a Přerov apartment (purchased for CZK 1,500,000, estimated post-renovation value of CZK 3,300,000), the flip remains profitable even with a 20% market price drop (to CZK 2,640,000), as total costs (purchase + renovation) are approximately CZK 1,983,000.
- **Portfolio Diversification:** The platform plans to flip 30 properties annually (page 37) across various locations, reducing the impact of regional fluctuations.
- **Flexible Strategy:** In case of declining sales demand, Advanced R&D can shift to a “hold” strategy, generating rental income, which in the Czech Republic offers gross annual yields of 5–12% (page 41).

Unexpected Renovation Costs

Risk: Renovations may incur unexpected costs due to hidden property defects, minor delays, or rising material prices, potentially reducing flip margins.

Mitigation:

- **Legal Budget Overrun Limits:** Advanced R&D collaborates with vetted firms subject to Czech legislation, which caps order price overruns at 10%. For instance, in the Přerov apartment case (page 46), planned renovation costs are CZK 483,000. With a maximum 10% overrun (CZK 48,300), total renovation costs would be CZK 531,300, and total project costs (including purchase at CZK 1,500,000) would be CZK 2,031,300. At an estimated market value of CZK 3,300,000, the profit remains CZK 1,268,700, representing a 62.5% margin. This high margin demonstrates project resilience to unexpected costs.
- **Budget Reserve:** Renovation budgets include a 30% reserve for unforeseen expenses (page 46), exceeding the legal 10% limit and providing an additional safety buffer.
- **Thorough Due Diligence:** Before purchasing, the platform conducts technical inspections (e.g., wiring, structural condition) to identify potential defects and minimize the risk of unforeseen costs.
- **Efficient Subcontractor Model:** Advanced R&D coordinates work with vetted subcontractors (page 43), reducing costs and delays compared to large construction firms.

Regulatory Changes in Real Estate

Risk: Changes in tax laws (e.g., increased property taxes or alterations to tax exemptions for sales after a holding period) or SPV structure regulations could increase costs or complicate operations.

Mitigation:

- **Legal Compliance:** Advanced R&D collaborates with lawyers to establish a robust SPV legal structure (page 49, point 11) compliant with local and international regulations.
- **Flexible Tax Strategy:** The platform minimizes tax liabilities by using SPV structures that allow share transfers without direct property sales, avoiding transfer taxes (page 43).
- **Ongoing Monitoring:** The project tracks regulatory changes and is prepared to adjust processes to remain compliant (e.g., compliance with MiCA and FATF, page 39).

Legal Disputes Regarding SPV Structures

Risk: Disputes among investors, inconsistencies in ownership transfers, or regulatory challenges could jeopardize SPV operations.

Mitigation:

- **Transparent Governance:** Real estate fragments (NF) are designed as governance tokens that clearly define investors' rights to profit shares and decision-making (page 15). Blockchain smart contracts ensure automated and transparent transfers.
- **Legal Framework:** The platform obtains legal opinions on tokens and SPV structures (page 49, point 11) to minimize legal uncertainties.
- **P2P Mechanism:** The ability to sell NF through the P2P platform (page 15) provides investors with flexible exit options, reducing the risk of liquidity disputes.

General Economic Risks

Risk: A global economic recession or rising interest rates could reduce capital availability for investors and demand for real estate.

Mitigation:

- **Democratization of Investments:** Tokenization enables low-entry investments (page 18), attracting a broader range of investors, including retail, even during economic uncertainty.
- **P2P Platform:** The blockchain-based P2P platform generates revenue from fees (1% of transactions, estimated at \$500,000 annually, page 37), ensuring stable income independent of property sales.
- **Staking and Rewards:** Staking DHOME tokens (page 39) incentivizes long-term holding and supports the ecosystem during periods of low real estate demand.

Business Case: Property Flip/Hold

Deal Brokers

When brokering the purchase of real estate, it is critical to acquire the property at a so-called below-market price. For crowdfunding and similar platforms, this means that even if there is no interest in the property on the platform, the platform owners can still monetize it traditionally on the secondary market.

Purchasing below market involves securing a discount of 20% or more on the property. To achieve such prices, a negotiating advantage is necessary. These advantages may include cash payments or the ability to quickly seize attractive opportunities. However, the key to securing the best opportunities lies with the people who identify them.

These individuals should have excellent knowledge of the local market and be well-oriented in it. A classic example is real estate agents who typically already own a property portfolio and are often the first to access new, attractive deals. For this group, partnering with an investor with capital can be a significant advantage.

Why is this the case? In their work, real estate agents typically seek out individuals who entrust them with their property for representation. The agent then searches for a suitable buyer (through advertising, personal contacts, etc.). However, by collaborating with an investor, the professional agent's work can be reduced to merely identifying lucrative properties, cutting their workload by approximately 50%.

Location Selection

When working with real estate, there are generally two strategies. The first is purchasing and subsequently renting out the property. In this case, the key metric is the ratio of rent to purchase price. For example, if a property is purchased for CZK 1 million and the monthly rent is CZK 10,000, the annual gross yield is approximately 12%. From this, costs must be deducted, including taxes, acquisition costs (typically mortgage or loan expenses), renovations, and potential costs related to poorly chosen tenants.

The second strategy involves so-called flipping. When flipping a property, it is purchased at a low price, renovated, and then sold at a profit. In this case, addressing the tax issue is critical. Income tax can be managed through a time test, for example, using an SPV structure.

As shown, the requirements for location selection differ in these cases. For rental properties, the focus is on the price per square meter and rental demand, which can be assessed based on the number of listings and the total population in the area. For flipping, different parameters are key, such as the median price difference between renovated and pre-renovation properties.

Example Location Data:

[Note: Original text does not provide specific data here, so this section remains placeholder.]

Costs of Acquiring Real Estate

Establishing an SPV

- **SPV Setup Costs:** CZK 12,000 (registration and notary fees)
- **Minimum Capital:** From CZK 1
- **SPV Tax Return:** CZK 1,500 annually (volume discount available)
- **SPV Income Tax:** [Not specified in the text]
- **Property Tax:** Based on local and municipal coefficients

Benefits of Purchasing Property via SPV

- **Tax Optimization:**
 - SPV enables more efficient tax planning, particularly for property sales. Selling shares in the company owning the property can be more tax-efficient than selling the property itself (lower or no capital gains tax in some jurisdictions).
 - Property-related costs can be better offset against the company's income.
- **Limited Liability:**
 - Ownership through an SPV protects the investor's personal assets, as liabilities related to the property remain within the company.
- **Easier Property Sale:**
 - Instead of transferring the property, company shares can be sold, avoiding property transfer taxes (depending on specific regulations).
 - Administratively simpler ownership transfer in some cases.

Acquisition Costs

- **Purchase Price:**
 - Based on statistics of sold properties, an average price per square meter is calculated. When searching for properties, the focus is on apartments, houses, land, or other assets with potential for below-median prices. It's important to differentiate between pre-renovation and post-renovation property price statistics, as these cannot be treated uniformly. For pre-renovation purchases, it's also critical that the location has a significant price gap between pre- and post-renovation values. For example, in Beroun, the pre-renovation price is CZK 62,000/m², while the post-renovation average is CZK 81,000/m². In Mělník, this gap is only CZK 3,000.
- **Administrative Costs:**
 - Drafting the sales contract
 - Notary escrow (based on capital amount)
 - Land registry fee: CZK 2,000
 - SPV tax return: CZK 2,000 (annually)
 - Property tax: Based on local and municipal coefficients
 - HOA fees and utility advances: Based on HOA and apartment layout
 - Electrical breaker replacement: Approx. CZK 300 per ampere for a single phase
 - Sales costs: In the case of Advanced R&D, tax costs may be avoided if clients purchase SPV shares and the SPV meets the time test

- Securing a tenant: Approx. 10% of the rental income

Operating Costs within the Business Model

Flip:

- SPV establishment
- Property purchase price
- Notary escrow, land registry stamp
- SPV tax return (annually)
- Property tax (annually)
- HOA fees, utility advances (monthly)
- Property renovation
- Electrical breaker replacement
- Sales costs (if applicable)

Rental:

- Property management: Approx. 10% of rent

Apartment Renovation: Costs and Options

Renovation costs consist of two main components:

- **Material Costs**
- **Labor Costs**

When obtaining a quote from a firm, you typically receive a total price, which can be relatively high. If it seems too expensive, you can opt for a subcontractor-based renovation, hiring individual tradespeople and coordinating their work yourself. This can save significant costs but requires your time and coordination.

Tradespeople Billing Options:

- Hourly rate: CZK 300–600/hour
- Price per m²: Sometimes includes materials
- Fixed price for the entire job (e.g., complete bathroom renovation)
- Materials with markup: Some tradespeople purchase materials and resell them with a surcharge.

User Case: Přerov Apartment

Purchase Price: CZK 1,500,000 (bank-estimated value: CZK 2,000,000)

Example: Renovation of a 2+kk apartment (54 m²)

- The apartment, in very poor condition, requires a complete renovation:
 - New electrical wiring
 - New kitchen plumbing
 - New bathroom and toilet

- Interior plastering
- Flooring
- Lighting
- Doors
- Kitchen unit
- **Estimated Costs:**
 - **Kitchen Plumbing (Water and Waste):**
 - 2m 50mm waste pipe (sink and dishwasher): CZK 83
 - Connectors, elbows, and other materials: CZK 250
 - 2x2m pipes for hot and cold water: CZK 110
 - Material reserve: CZK 600
 - Labor: 1 day (8h) × CZK 400/h = CZK 3,200
 - **Total:** CZK 3,800
 - **Electrical Wiring:**
 - Outlets: 25 units (double outlet with frame: CZK 182/unit)
 - Switches: 11 units (double switch with frame: CZK 250/unit)
 - Cables: CZK 2,000
 - Small distribution board: CZK 10,000
 - Electrical materials total: CZK 10,000
 - Labor: 4 days × 8h × CZK 400/h = CZK 12,800
 - **Total:** CZK 32,800
 - **Bathroom + Toilet:**
 - Geberit wall-hung toilet: CZK 7,000
 - Wall frame materials: CZK 3,000
 - Shower with faucet and tiles: CZK 12,000
 - Bathroom flooring (8 m²): CZK 4,000
 - Bathroom cabinet with sink, faucet, and mirror: CZK 13,000
 - Labor: 5 days × 8h × CZK 400/h = CZK 16,000
 - **Total:** CZK 45,000
 - **Interior Plastering:**
 - Scraping old plaster: 3–5 days
 - Materials:
 - Adhesive + mesh: CZK 41/m²
 - Stucco: CZK 18/m²
 - White paint: CZK 4/m²
 - **Total:** CZK 82/m²
 - Total area: 160 m² (100 m² walls + 60 m² ceilings)
 - Materials: CZK 13,120
 - Labor: CZK 70,000
 - **Total:** CZK 83,120
 - **Flooring (Vinyl):**
 - Leveling (if needed): CZK 240/m²
 - Insulation underlay: CZK 130/m²
 - Vinyl flooring: CZK 330/m²
 - Materials: CZK 28,000
 - Labor: CZK 35,000
 - **Total:** CZK 63,000
 - **Lighting:**

- Lights: CZK 12,000
 - Labor: 1 day × 8h × CZK 400/h = CZK 3,200
 - **Total:** CZK 15,200
- **Interior Doors (4 units with frames):**
 - Materials: CZK 6,500/unit × 4 = CZK 23,000
 - Labor: 3 days × 8h × CZK 400/h = CZK 9,600
 - **Total:** CZK 32,600
- **Entrance Door:**
 - Materials: CZK 10,000
 - Labor: 1 day × 8h × CZK 400/h = CZK 3,200
 - **Total:** CZK 13,200
- **Kitchen Unit:**
 - Basic setup with stovetop, dishwasher, oven, range hood, refrigerator, and microwave: CZK 60,000
 - Labor: 2 days × 8h × CZK 400/h = CZK 6,400
 - **Total:** CZK 66,400
- **Radiator Replacement:**
 - 3 radiators: 3 × CZK 3,870 = CZK 11,610
 - Additional connection materials: CZK 1,390
 - Labor: 1 day × 8h × CZK 400/h = CZK 3,200
 - **Total:** CZK 16,200
- **Total Costs:**
 - Materials: CZK 208,720
 - Labor: CZK 162,600
 - **Subtotal:** CZK 371,320
 - **+30% Reserve:** CZK 482,716

Summary

The renovation cost for this 54 m² apartment is approximately CZK 483,000 (CZK 8,050/m²) when managed through subcontractors.

Other Services and Products

We believe that our platform, Advanced R&D, and its P2P component have broad applications, which is why we aim to offer additional products and services through it.

Tokenized Real Estate Funds

Tokenization of real estate funds is a simple and practical approach to organizing distribution and creating a secondary market. Due to the inherent fragmentation of the investor base and the involvement of professional fund managers, who are typically regulated, accountability and transparency in reporting and performance are ensured. Furthermore, since the legal claims of investors in the funds are already defined through an investment entity such as a corporate structure, REIT, trust, or limited partnership, the tokenization process is merely a way to simplify the investment process. This is particularly relevant given the inefficiencies in the current secondary market for fund units.

This should be an easy win for tokenisation. The intermediate legal structures have already been created and are well understood. This is already a fractionalised market, with a long record of demand for both primary issuance and secondary trading. Funds are already likely to be regulated, as any security token would have to be. The costs of traditional primary capital raising are very high, and tokenisation is a way to produce cost savings at a time when manager fees are a high proportion of investor returns. More attention needs to be paid to this clear opportunity; if demand for this product is proven, the market for the tokenisation of large single assets might then follow²¹.

²¹ <https://www.sbs.ox.ac.uk/sites/default/files/2020-01/tokenisation.pdf>

Executive Summary

The Advanced R&D project aims to create a platform that leverages blockchain technology to provide a decentralized and transparent environment for real estate development and investment. The platform uses tokenization to enable fractional ownership of real estate assets, making it more accessible to a wider range of investors.

The platform allows developers to submit real estate development projects, which are then reviewed and approved by a network of experts. Once approved, the project is tokenized, and investors can purchase tokens to own a fraction of the property. These tokens can then be traded on secondary markets, providing liquidity and flexibility to investors.

Road Map

1. **Market Research:** Explore the real estate market, its advantages, disadvantages, and specifics, as well as secondary investment opportunities in real estate.
2. **Foundation Creation:** Establish the fundamental aspects of the Advanced R&D project and define key features.
3. **Legal Structure Development:** Create a legal entity in accordance with jurisdictional regulations.
4. **Technology Solution Working Group:** Form a working group to propose initial designs of specific platform elements.
5. **Project Documentation:** Develop technical and other documents that describe the project, its architecture, functions, mission, problems it addresses, and its strategy.
6. **Tokenomics:** Define the economic model of the tokens, including distribution schemes, governance mechanisms, and user offerings.
7. **KYC/SAFT for Investors and KOLs:** Conduct a Know Your Customer process and create a Simple Agreement for Future Tokens (SAFT) to attract investors and opinion leaders.
8. **Creation of Smart Tokens:** Develop smart token contracts using standards such as BEP20.
9. **Smart Contract Audit:** Perform an audit of the contract to ensure security, reliability, and compliance with standards and regulations.
10. **Beta Testing:** Launch the first version of the platform for beta testing.
11. **Legal Structure Proposal:** Obtain legal opinions on the tokens on the platform to determine their status under international and local laws.
12. **Completion of Strategic Documents:** Finalize strategic documents (Whitepaper, Investor Pitch Deck).
13. Launch of the DHOME utility token and its listing on selected cryptocurrency exchanges
14. Platform launch
15. Obtaining a crowdfunding license
16. Social features

Launch of the Platform 2025