

# **Luxuria's Real Estate-Backed NFTs: Future of Property Investment**

## **INTRODUCTION**

Luxuria's Real Estate-Backed NFTs, or non-fungible tokens, are the latest innovation in property investment. These tokens are backed by real properties such as empty plots, houses, and buildings, which means that each NFT is essentially equivalent to owning a share in the physical property.

What sets Luxuria's Real Estate-Backed NFTs apart from traditional property investments is that investors don't have to worry about the hassles of paperwork and legal procedures that come with owning a physical property. All of the necessary background checks and paperwork are handled by the company, giving investors peace of mind.

One major advantage of investing in Luxuria's Real Estate-Backed NFTs is the ease of buying and selling. Unlike traditional property investment, where selling a property can take a significant amount of time, selling an NFT can be done in a matter of minutes.

Investors who purchase a property through an NFT also benefit from the ability to use the property immediately without any need for hotel accommodation. For example, if an investor purchases a house in India through an NFT, they can immediately use the property for living without needing to worry about accommodation (Please note, the following rule is applicable with the passport and Visa to travel is permitted as the country)

Moreover, investors can further invest in the purchased (NFT) property by constructing a house or commercial unit and can reap the benefits of living in their own country. If an investor owns a property Via NFT, they can stake it on the company's portal and get the benefit of renting the property through the company, ensuring a steady income stream.

In summary, Luxuria's Real Estate-Backed NFTs are an exciting and innovative way for investors to enter the property market, with all the benefits of property ownership without the traditional hassles.

### **Key Points and Benefits:**

- **Virtual Ownership:** Buying an NFT is equivalent to owning a property Virtually without having to worry about legal issues or paperwork of holding a property.
- **Hassle-Free Selling:** Selling an NFT is much easier than selling a property.
- **Managed by a Company:** All properties are managed by a company, meaning no worries on genuine paperwork as they handle all required background checks and clean paperwork.
- **Immediate Possession:** If you buy a house through an NFT (e.g., in India), you can use your NFT and live in your house with the visa and permit provided by the country.
- **Investment Opportunities:** If you buy a plot through an NFT, you can further invest in building a house or commercial unit and reap the benefit of living in your country (Further Explained in Specific Topic)
- **Rental Benefits:** If you own the property, you can stake it in our portal and get the benefit of renting it through us.

### **Different Types of Properties Availabilities.**

These properties are differentiated based on their type and are further categorized into multiple subcategories using series or project terms provided by Luxuria's Real Estate Company.

- **(RPL Projects) Residential Properties**
  - **(RPEL) Empty Residential Estates or Large Residential Empty Property**

- (RPPL) Residential Empty Plot
- (RH) Residential Home
- (CPL Projects) Commercial Properties
  - (CPEL) Empty Commercial Estates or Large Commercial Empty Property
  - (CPPL) Empty Commercial Plots
  - (CS) Commercial Stores
  - (CB) Commercial Buildings
  - (CW) Commercial Warehouse
  - (OCP) Other Commercial Properties
- (IPL Projects) Industrial Properties
  - (IPUL) Unused Industrial Properties
  - (IPCL) Industrial Properties Constructed
  - (OIPL) Other Industrial Properties
- (APL Projects) Agriculture Property
  - (AFL) General Agricultural Farm Properties
  - (AFH) General Agricultural Farmhouse

## **Different Types of Properties Explained**

**RPL Projects (Residential Property Luxuria)** : These are designated by the government for residential purposes. These properties are commonly available for acquisition, sale, and construction of houses, villas, apartments, and other residential structures, subject to local and central government permits.

**RPEL (Residential Property Estate Luxuria)**; These Properties are large vacant properties that have permits for constructing houses, such as farmhouses, and can also acquire additional permits & Location for building apartments, villas, large estate houses, and other large residential structures.

**RPPL (Residential property Plot Luxuria):** These Properties are small vacant properties that are up to 10,000 square feet in size and are typically used for constructing houses or small apartments, such as four houses on one floor with a maximum of five floors allowed based on local regulations , Permits and location. The size of the property determines the extent of construction that can be undertaken.

**RH (Residential Home):** These properties are pre-existing, both new and old, and can be rented out or moved into immediately. The properties include independent houses, apartment buildings, flats, and penthouses. They are considered residential homes as they are ready for occupancy without the need for further construction or renovation. However, renovation is an optional possibility.

**CPL Projects (Commercial Property Luxuria) :** These properties are designated by the government for commercial purposes, and are commonly available for acquisition, sale, and construction of various commercial properties such as stores, malls, business offices, warehouses, and more, subject to local government permits.

**CPEL (Commercial Property Empty Luxuria):** These properties are large empty commercial properties that have the potential for constructing malls, offices, corporate buildings, theme parks, hotels, Warehouses and more, subject to the availability of additional permits & Location.

**CPPL (Commercial Property Plot Luxuria) :** These properties are small empty commercial properties that have the potential for constructing single to five-story buildings, offices, and up to four floors of commercial licensing. Additionally, up to two houses can be constructed above these buildings for residential purposes. These properties can be used for various commercial purposes and more with the required permits & Location.

**CS (Commercial Stores):** These are pre-existing properties, both new and old, that can be rented out for various commercial purposes, from small stores and offices to large franchises. These properties have potential for various commercial ventures, such as restaurants, clothing stores, and big brand franchises like McDonald's, Levi's, Rolex,

and more. There is endless potential for commercial use of these properties, and renovation is an optional possibility.

**CB (Commercial Buildings)** : These properties are existing buildings that can be rented out for various commercial purposes, both new and old. These buildings are ideal for big offices, hotels, malls, shopping centers, restaurants, theaters, banks, hospitals, and more. The possibilities for commercial use are endless, and the option for renovation is available to customize the space to fit specific needs.

**CW (Commercial Warehouse)** : These are properties designed for commercial storage purposes, suitable for businesses to store their goods and supplies. These warehouses can be used by corporate companies, small businesses, or transportation companies for temporary storage. Examples of commercial warehouses include distribution centers, fulfillment centers, and storage facilities for large-scale retailers. The potential for commercial use of these properties is vast, and they can also be used for logistics operations, inventory management, and other supply chain activities.

**OCP (Other Commercial Properties)** : These properties are specifically pre-constructed for certain types of businesses such as hotels, hospitals, resorts, theme parks, museums, and other commercial establishments. These properties are built according to the specific needs and requirements of the business, making them highly specialized and unique.

**IPL Projects (Industrial Property Luxuria)**: These properties are specifically designated by the government for industrial purposes, and they are ideal for businesses that require manufacturing, production or distribution facilities. These properties are commonly available for acquisition, sale, and construction of various industrial properties with Permits & Tenders such as Manufacturing plants, Research and development facilities, waste management and recycling Plants, Energy plants , Chemical Plants, Textile Mills, Food Processing Plants, Automobile Plants , Etc.

**IPUL (Industrial Property Unused Luxuria):** These properties are typically vacant or unused properties that have the potential to be developed into specific industrial properties required for niche industries. These properties are available for rental purposes to industries, with permits and location

**IPCL (Industrial Properties Constructed Luxuria):** These properties are typically pre-constructed for specific industrial requirements such as automobile plants, chemical plants, food processing plants, and other industrial facilities. These industrial properties are often refurbished to meet specific requirements of a business, providing high value and potential for the property. They can be rented to continue their operations, allowing for expansion and growth.

**OIPL (Other Industrial Properties Luxuria):** These are industrial properties that do not fall under the categories of IPCL or IPUL. These could include properties used for specialized manufacturing for energy production, Or Industrial Warehousing and other unique industrial purposes.

**APL Projects (Agricultural Property Luxuria) :** The government designates certain properties for farming purposes, which are classified as Agricultural Property. To acquire such property, the owner must have the right to sell it. These properties are divided into two subcategories: General Agricultural Farm Properties and General Agricultural Farmhouses.

**AFL (Agricultural Farm Land):**These properties are typically open lands meant solely for agricultural purposes, and are rarely taken over by companies. Only a small percentage of these properties are available for sale with the required permit.

**AFH ( Agricultural Farm House):** These properties are allowed to have a portion of land used for residential construction, increasing their potential for sale. They are commonly available for purchase, and we can acquire this type of property.

## **Benefit for NFT**

The inclusion of these properties as collateral for NFTs can provide significant benefits. NFTs are often not collateralized, which can lead to high risk and a lack of practical use. By using these properties as collateral, the value of the NFTs can be secured and stabilized, reducing the potential for pump and dump schemes. Additionally, the practical use of the properties can provide a tangible benefit to NFT owners and the community at large, further increasing the value and desirability of the NFTs.

## **Fractionalizing**

Fractionalizing real estate involves dividing a property into multiple NFT's , each represented by a NFT (non-fungible token). These NFTs can then be bought and sold, with each owner having partial Virtual ownership of the property and entitled to a portion of the property's profits or rental income. Fractionalization of real estate allows for greater accessibility and affordability for investors who may not have the capital to purchase an entire property outright. It also provides a more liquid market for real estate investment, as NFTs can be easily traded on digital marketplaces.

## **VALUE EROSION**

Value erosion refers to the decrease in value of a Collateralized NFT resulting from specific events. When the value of a backed NFT is stripped away, it can lead to two other categories, Asset regeneration and Zero-collateral assets. This Process is only Possible for Luxuria NFT, other NFTs or collections will not be able to Participate.

## **ASSET REGENERATION**

Asset regeneration refers to the process of revaluing an NFT Collection that has lost its previous real estate backing. This presents a new opportunity to add real estate as backing for an existing collection.

## **ZERO-COLLATERAL ASSET**

Zero-collateral assets refer to the process of nullifying the value for collateral, which means that although you can still hold the NFT, you will not have any physical real estate collateral.

## **WORKING PRINCIPLES OF VALUE EROSION**

When a Collection /NFT is moved to Value Erosion, The Set Collection Holders are moved for a Voting system to vote for Asset regeneration to Zero collateral Asset. The Highest Vote of 50.01% will be considered Voting Value.

Incase of Asset generation, We will display five properties along with their pricing to all holders. The property that receives the highest vote will become the option for value regeneration. The value of the property will be fractionalized based on the weight of the NFT and must be paid when the NFT is released back to the holder.

Staked Holder: Any NFT staked holder who does not pay the value will have their NFT listed on our website for sale in 1 Month for potential Investors.

Staked Holder: Any Unstaked holder who does not pay the value will have their NFT listed on our website with negative funds allocated until the funds are paid. The negative funds will increase by 5% every month, After 6 Months that NFT will be tagged Banned which could lead to No interest in anyone buying the specific NFT.

Incase of Zero-collateral assets, We will finalize as the Entire Collection will be ripped from the Real estate collateralization and will be considered as general NFT and released back to the Holders.

## **LUXURIA ALPHA NFT COLLECTION**

This is an exclusive collection of NFTs, each representing virtual ownership of a unique Entire property. As the owner of a specific NFT, you are entitled to exercise complete control over the property, including the rights to ( sell & buy NFT ), Request for Physical Sale of that property, demolish, develop, and collect rent. You can buy directly from us with a set value of property or You can Collect an entire Collection of Other Luxuria NFT of your Liked Property and Stake to Create an Alpha NFT on the Specific Property.

## **THRESHOLD**



The term "threshold" is used to refer to the market price below which we hold liquidity for a specific asset after 6 months from the release date. We establish a threshold for situations when the price falls below the market value or in case of emergencies, allowing NFT holders to sell at the determined threshold price.

The thresholds are divided into two categories: bottom threshold and upper threshold. The company calculates both the bottom threshold and upper threshold based on the live price action of the real estate and the market movement in NFTs.

**Upper Threshold:** This option is utilized when the company observes that the price of an NFT is significantly lower than the actual real estate backing price. This prompts the company to buy back those NFTs at a lower cost and release them back into the market for new buyers to provide new opportunities. For example, if the initial sale price is \$500 and the floor price drops below \$450 for more than 30 days, the company will take necessary steps to buy back the NFTs and provide immediate recovery from the low floor price.

**Bottom Threshold:** This option is used when a customer is willing to sell the NFT for a price below the expected upper threshold. This enables the company to prevent the price from plummeting and provides instant liquidity to the holder. For instance, if a holder has two NFTs with an initial release price of \$500 and the current floor price is \$5000, but there are no buyers in the market, we will use the bottom threshold to give instant liquidity to the seller, which will be set at \$450.

After 6 months of NFT release, the Bottom threshold will be made visible to the public. However, the Upper threshold will only be visible to the company for internal purposes.

## **WEIGHT OF NFT**

The voting and ownership power of an NFTs are determined by specific values initially put for sale, which in turn dictate its weight. The weight of the NFTs then influences its price. For instance, an NFT's weight determines whether it is classified as a Premium NFT or an Economical NFT based on its voting and shareholding power.

**Example:** For instance, consider a collection of 10,000 NFTs, of which 3,000 are Premium NFTs with a selling price of \$500 and 7,000 are Economical NFTs with a selling price of \$50.

**Total cost of 10,000 NFT's** - Total Cost of Premium NFT (1,500,000) + Total Cost of Economical NFT (350,000) = **1,850,000.**

**Weight of Premium NFT** - Premium NFT (1,500,000) / Total Cost of Collection (1,850,000) =

**0.8108 or 81.08%**

**Weight of Economical NFT - Economical NFT(350,000) / Total Cost of Collection (1,850,000) =**

**0.1891 or 18.91%**

## **STAKING**

The concept of "staking" refers to the ability to stake the NFT, which can provide additional income and voting rights for the development of the property included in the collection.

**Rental Staking:** Enrite Collection provides a staking option for NFTs associated with rental properties that generate income. Once all expenses are paid quarterly, NFTs can be staked to earn a portion of the rent. To qualify for the rent payout, the NFT must be staked for a minimum of 90 days.

**Rental Properties:** (RH) Residential Home, CS (Commercial Stores), CB (Commercial Buildings), CW (Commercial Warehouse), OCP (Other Commercial Properties), IPCL (Industrial Properties Constructed Luxuria), OIPL (Other Industrial Properties Luxuria), AFH (Agricultural Farm House).

**Rental Yield Example:** The rent earned will be divided into shares based on the Collection weight of each NFT. For example, a Collection of 10,000 NFTs may consist of 3,000 Premium NFTs and 7,000 Economical NFTs. If the weight of Premium NFTs in the Collection is 76.06% and Economical NFTs is 23.93%, and the monthly yield is \$50,000 with expenses of \$10,000, the remaining \$140,000 will be split among the Premium collectors of 76.06% (\$106,484) and Economical NFT holders of 23.93% (\$33,502). Each Premium NFT will earn \$35.49 on a quarterly basis, while each Economical NFT will earn \$4.78 on a quarterly basis.

**Development Staking:** Entire Collection provides a staking option for NFTs associated with Development properties, which can yield high value after the development takes place. The Development is a collective Voting method, which involves 100% Votes to be considered. If the voters do not attend the vote, the Vote will be carried by the company. The majority vote of 50.01% will be considered as the winning Vote. If the voting is positive, the development will start, and the NFTs will be converted to Value Erosion,

and new NFTs will be minted for the NFT Holders. All the cost for the development will be borne by the NFT holders, and the total cost will be divided based on the Collection weight of each NFT.

**Development Properties:** RPEL (Residential Property Estate Luxuria), RPPL (Residential property Plot Luxuria), CPEL (Commercial Property Empty Luxuria), AFH (Agricultural Farm House), CPPL (Commercial Property Plot Luxuria), IPUL (Industrial Property Unused Luxuria)

**Voting Example:** let's say a collection of 10,000 NFTs consists of 3,000 Premium NFTs and 7,000 Economical NFTs. The Premium NFTs make up 76.06% of the set's total weight, while the Economical NFTs make up 23.93%. A vote will count as 1.014% for every 40 Premium NFTs, and as 1.001% for every 292 Economical NFTs.

**Development Cost Example:** let's say a collection of 10,000 NFTs consists of 3,000 premium NFTs and 7,000 economical NFTs. The weight of premium NFTs in the collection is 76.06%, and the weight of economical NFTs is 23.93%. If the total cost of the development project is \$1 million, the fund will be split among the premium collectors of 76.06% (\$760,600) and the economical NFT holders of 23.93% (\$239,300). Each premium NFT holder will bear the cost of \$253.53, while each economical NFT holder will bear the cost of \$35.20 for developing the project. This cost will be divided based on the collection weight of each NFT. With this unique stacking option, NFT holders have the opportunity to participate in the development of the property, and earn potential high value once the development takes place.

**Demolition Staking:** Entire Collection offers a staking option for NFTs that are tied to the demolition of properties, which will then be used for property development. The demolition process follows a collective voting method where 100% of the votes will be taken into account. In the event that voters fail to participate in the vote, the company will carry the vote. The winning vote will be determined by a majority of 50.01%. If the vote is positive, the demolition process will commence after the NFT is submitted. The NFT holders will bear all the costs of the demolition process, and the total cost will be divided based on the weight of each NFT in the collection.

**Demolition Properties:** The Properties that have been acquired for their land value but have unusable construction, making them suitable for demolition staking.

**Voting Example:** let's say a collection of 10,000 NFTs consists of 3,000 Premium NFTs and 7,000 Economical NFTs. The Premium NFTs make up 76.06% of the set's total weight, while the Economical NFTs make up 23.93%. A vote will count as 1.014% for every 40 Premium NFTs, and as 1.001% for every 292 Economical NFTs.

**Demolition Cost Example:** let's suppose a collection of 10,000 NFTs includes 3,000 premium NFTs and 7,000 economical NFTs. The premium NFTs make up 76.06% of the collection's weight, while the economical NFTs make up 23.93%. If the total cost of the demolition is \$100,000, the fund will be divided among the premium collectors and the economical NFT holders, with the former receiving \$76,060 (76.06%) and the latter receiving \$23,930 (23.93%). Based on the weight of each NFT in the collection, each premium NFT holder will bear a cost of \$25.35, while each economical NFT holder will bear a cost of \$3.52 for the demolition. This cost allocation is based on the collection weight of each NFT. With this innovative staking option, NFT holders have the chance to participate in the demolition of a property and start a new project.

## **MINTING**

The Minting of its unique NFTs, which are backed by physical real estate assets. The process of minting these NFTs involves creating a digital representation of the underlying real estate assets, which are then stored on a blockchain network using a smart contract. This smart contract acts as a digital certificate of authenticity that verifies ownership and provenance of the NFT, which is backed by the physical asset.

## **LIQUIDATION**

In the event that all NFT holders in a collection, or an Alpha NFT holder of a specific NFT, agree to liquidate the property by staking it for sale, the following steps will be taken. The entire property will be sold to an eligible buyer at the market price of the country, along with all necessary legal documents. The funds acquired from the sale will be distributed among NFT holders based on the weight of their respective NFTs, and the NFTs will Move into Value Erosion.

In the event that we, as a company, are forced to sell the property without the agreement of the NFT holder, we will request for NFT submission. We will then offer an alternative option that holds the same value as the NFT, or we will share the funds generated from the liquidation process. The NFTs involved will be moved to Value Erosion.

### **Tokenization**

At Luxuria, we are excited to announce that we will be introducing our own tokens soon ,Which will establish its Own White Paper & will provide transactional value for the purpose of cryptocurrency. These tokens will be designed to complement our existing NFT offerings and will enable seamless transactions within the LUXURIA ecosystem.

The introduction of our own tokens marks an important step forward for LUXURIA, as we continue to expand our offerings and provide innovative solutions for real estate investing. With our tokens, investors will be able to easily and securely purchase and trade LUXURIA NFTs, as well as access a range of other benefits and features within the LUXURIA ecosystem.