

REAL COIN

REAL ESTATE BACKED
CRYPTOCURRENCY
&
NFT MARKETPLACE

Whitepaper
August 15th 2021

Introduction

- RealCoin & RealCoin Marketplace – a breakthrough online marketplace that allows users from all over the world to collectively purchase and invest in tokenized shares of real estate properties like never before.
- Users can acquire tokenized percentages of properties in exchange for crypto – which the legal deed holder can then use to fund property upgrades and improvements or use as down payment for traditional finance loans.
- This unique model effectively allows anyone to gain access to leveraged real estate investments, speculate on future property prices and provide liquidity to the real estate market like never before.



Properties listed as NFTs

- Each property that is listed on the RealCoin Marketplace has a percentage (generally 20%) of its ownership shares tokenized as a number (generally 100,000) Non-fungible tokens (“NFT”). These are unique NFTs representing actual ownership and are validated by the blockchain as well as being backed by actual tangible real property.
- NFTs (Non-fungible Tokens) are unique blockchain tokens that have a limited supply and cannot be copied nor duplicated. Ownership is tracked by the network and fraud is a non-issue. These limited-edition tokens representing fractions of real property can then be traded amongst users on our marketplace (or third-party marketplaces).

Built On



Ethereum 2.0

Listing & Launching Properties

- Prior to listing a property, properties must assign the percentage ownership to be tokenized to either the platform or a holding LLC created specifically to hold said property. This allows the platform to then legally sell fractions of ownership of the property or of the LLC.
- Artwork, photos and NFT development will need to take place for each property prior to listing. The platform will initially take a 0.1% listing fee to cover these costs. This listing fee is intentionally set low initially to attract listings but may increase as the platform gains momentum.
- The RealCoin marketplace may do pre-sales of tokenized properties at a price higher than the appraised value, but lower than the initial property offering price. This allows for increased liquidity and price stability and gives users the ability to speculate on the future value of properties with planned upgrades and improvements.



Property NFT - Leverage

LEVERAGE:

In order to attract investors and maximize amounts raised for the deed holder, certain properties listed will use their NFT sale proceeds as collateral for traditional finance loans.

A traditional mortgage may require a 15% down payment in order to secure the remaining 0% as a loan. This effectively is equivalent to putting 6.67x leverage on the down payment.

For these property NFTs, users are effectively given a set leverage on their investment so that instead of having a property grow at 10% per year in value, users are exposed to a leveraged trading instrument that's projected to grow at 66.7% per year.

This is not without risk – asset freezes and liquidations may happen through automated buybacks if property values drop below a certain level or property cash flow cannot cover financing payments.



LEVERAGE

Property NFT – Buyback Floors & NFT Freezes



Auto-Buybacks:

Since properties are almost always transacted for more than appraised values in traditional markets, properties will always launch at slightly higher prices than appraisal value.

This means that the platform and property owners are able to offer automatic buybacks so that NFTs have a floor price. This guarantees investors that they will always have limited losses while also locking in profits for property owners.

NFT Freezes:

In the event that revenue generated by properties are unable to cover financing obligations and expenses, gentle liquidations of NFT holders will occur. This will borrow against and freeze NFT assets until loan amounts can be paid back.

In the event of a property foreclosure, NFT holders will be liquidated.

Property NFT – Cashflow & Buyouts

Cashflow & Dividends:

Most properties to be listed are commercial properties and will generate positive cash flow. After deducting monthly financing obligations and expenses, the remaining revenue will be paid out directly to NFT holders proportional to their share of the property. This is an automatic distribution and payouts will be made each hour to discourage large price fluctuations of NFTs around payout times.

Buyouts:

Should the deed owner decide to sell the property, all NFT holders forfeit their NFT holdings and are paid out the total sales price proportional to their property holdings.



RealCoin - The Platform Currency

RealCoins are the currency of the RealCoin Marketplace. They are the currency that users use to purchase property backed NFTs. To obtain shares of properties (as NFTs), users must first purchase RealCoins with either Ethereum or Stablecoins (such as USDT). These RealCoins may then be used to trade for NFTs.

Users that hold over a predetermined threshold amount of RealCoins will have access to all private sale NFTs prior to public launch.

When deed holders wish to cash out their raised funds, they may withdraw their earnings as RealCoins or trade them for Ethereum or any stable coin (such as USDT). Dividends/positive cashflow is also to be paid out in RealCoins.



RealCoin - Tokenomics

RealCoins are a unique currency based on an elastic-mint-burn model. As the value of total listings increases on the RealCoin Marketplace, so will the value of RealCoins. Investing in RealCoins early on ensures that users lock in their investment as the RealCoin marketplace expands.

Buy transactions of RealCoin result in price increases.

Sell transactions of RealCoin also result in price increases.

For each trade between USDT or ETH and RealCoin, a 6% transaction fee is applied and new RealCoins are minted. This means each purchase will raise the price of RealCoin. Each sell of RealCoin will result in the sold RealCoins to be burned (discarded) thus reducing the total supply of RealCoin and ensuring price still increases.



Disclaimers and Risks

Using RealCoin involves a high degree of risk. You should acknowledge each of the following risks below together with all of the other information contained within the official website.

THE MARKETPLACE MAY NOT LAUNCH

The marketplace may not be successfully developed, marketed and/or launched. Participants may not receive tokens, any product or service. It is possible that the RealCoin marketplace and assets may never be released.

CHANGES COULD BE MADE

RealCoin developers may have to make changes to the specifications of the marketplace. Developers may be unable to deliver RealCoin in a way that reflects the specifications or any form of functioning as described in this document.

FAILURE TO MAINTAIN

It is still possible that the game will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the RealCoin and marketplace assets.

CEASE OF OPERATIONS

It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of cryptographic currencies, or in the case of RealCoin, may not be widely adopted and may have limited users, or alternative products may be established that compete with or, are will be more widely used. The developers may no longer be viable to operate and the RealCoin platform, with all of its marketplace assets, may dissolve or cease to exist.

HIGH VOLATILITY

The prices of the Ethereum cryptocurrency and any game assets may be extremely volatile. Fluctuations in the price of crypto tokens could materially and adversely affect the value of your digital assets.

BUGS & THREATS

RealCoin may be the target of malicious cyberattacks or contain exploitable flaws in its underlying code, which may result in security breaches and the loss or theft of game assets.

If the RealCoin security is compromised, or if the RealCoin marketplace is subject to attacks that frustrate our participants' ability to access the RealCoin, their marketplace assets or the RealCoin product and services, users may cut back or stop using the RealCoin platform, which could seriously curtail the game process and the value of marketplace assets.

TAXES

The tax treatment about cryptocurrencies and tokens is uncertain and there may be adverse tax consequences for participants upon certain future events.

REGULATORY RISKS

The regulatory regime governing the blockchain technologies, cryptocurrencies, tokens and distributed networks is uncertain, new regulations or policies may materially adversely affect the development of RealCoin and the value of Marketplace assets.

LOSS OF CONTROL

Due to its distributed nature, the RealCoin developers may have no control or may only have limited control of the product once the marketplace has launched.

BLOCKCHAIN RELATED RISKS

Upgrades that are directly involved within the Ethereum network (hard fork or further platform developments) may change the way transactions are confirmed and how game assets and tokens are used.

LOSS OF FUNDS

Participants may be subject to lose all of their Ether cryptocurrency that is transferred to RealCoin smart contracts.